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## Trade Deficit Expands as Mexico Crisis Takes Its Toll

**Analysts Say Wide Gap Is Likely to Remain a Drag on U.S. Economy**

By Lawrence Malkin  
International Herald Tribune

**NEW YORK** — The U.S. trade deficit veered more deeply into the red as imports hit a record high in January and Mexico's financial crisis suddenly cut its appetite for exports from the United States, the government said Wednesday.

Rising deficits with China and Europe also helped widen January's deficit in goods and services 68 percent, to \$122 billion, from December.

The deficit, which reflects the first trade fallout from the financial crisis in Mexico, was worse than most analysts had expected, and it appears likely to remain a drag on the economy for months.

This will pose the problem of how the United States will finance its deficit without raising interest rates to attract foreign money.

The dollar slumped against other major currencies after the Commerce Department report because a large trade gap puts the dollar into the hands of foreign exporters who sell them for their own currencies when repatriating revenue.

Last autumn, enough capital to cover about two months worth of deficits of January's size may have left Latin America itself in front of the looming Mexican crisis, said Roseanne M. Cahn, chief economist of CS First Trust. Little more such capital now can be left south of the border to keep supporting the Treasury bond markets, which she said were "living on Prozac" by ignoring the foreign inflow that recently helped bring down Treasury bond rates.

In January, trade with Mexico shifted in just one month to a deficit of \$863 million from a surplus of \$19 million. This shift is expected to continue and deepen as Mexico tightens its belt to pay back its debts by increasing its exports to its largest customer, the United States.

Last year Mexico was the most ebullient U.S. customer. Exports to Mexico grew 22 percent, accounting for about half the 10 percent growth in total U.S. exports. This year, Ms. Cahn said, the fall of the peso will cut U.S. exports to Mexico by about 20 percent, widening her original estimate of the 1995 U.S. trade deficit to \$198 billion from \$166 billion.

But not all the figures are likely to look as gloomy as they did in January. While the trade gap with Europe doubled to \$1.3 billion from \$532 million, this is most

See DEFICIT, Page 16



SPACE RECORD — The Russian cosmonaut Valeri Polyakov toasting return to Earth on Wednesday after landing in Kazakhstan. He broke the endurance record of one year in space when he spent his 366th day in orbit on Jan. 9.

## EU Does About-Face on Television Quotas Commission Votes to Protect and Spur European Production

By Tom Buerkle  
International Herald Tribune

**BRUSSELS** — In a stunning revival for French-led efforts to defend European popular culture from Hollywood's onslaught, the European Commission proposed Wednesday to tighten quotas on television programming for 10 years.

The proposal by the EU culture commissioner, Marcelino Oreja, would create a legally binding quota from the commission's political commitment to ensure that at least 51 percent of the films and programs shown on Europe's television channels originate in Europe.

Mr. Oreja also promised to put forward

within two weeks a package of incentives to spur European production, and hinted that it could include a tax on telecommunications companies, which was suggested recently by his commission colleague Edith Cresson.

These are weak industries that need strengthening," Mr. Oreja said.

The decision came just five weeks after culture ministers from the 15 European Union member states rejected a similar idea at a meeting in Bordeaux, France. EU officials predicted strong opposition from Germany, Britain, the Netherlands and Denmark when culture ministers debate the plan in Luxembourg on April 3.

"The general position has not and will

not change," an official at the Foreign Ministry in Bonn said of Germany's opposition to caferos quotas.

"In Bordeaux we were not of the opinion that we would go in this direction," said the official, who spoke on condition of anonymity. "I don't see what has changed since then."

The United States, whose dispute with Europe over film and television policy nearly blocked a global trade agreement in 1993, criticized the proposal as a violation of the principle of open access endorsed last month by a Group of Seven conference of ministers.

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## AGENDA

### Christopher Cites Strains With Russia

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*Business Initiatives in the Nordic Countries*

**GENEVA (WP)** — Secretary of State Warren M. Christopher warned Wednesday that Russia's integration into the West is endangered by Moscow's assault on Chechnya and pending sale of nuclear reactors to Iran.

However, Mr. Christopher stopped short of rhetorically putting bilateral relations at risk. The link between the countries is "too important to be hostage to any single issue," he said.

Mr. Christopher is here to meet with the Russian foreign minister, Andrei V. Kozyrev, to prepare for a May summit meeting between President Bill Clinton and President Boris N. Yeltsin.

Mr. Clinton's decision to go to Moscow buttresses Mr. Yeltsin at a time when the Russian leader is under criticism for the harsh crackdown on separatist Chechnya.

Mr. Clinton is under sharp attack from Republicans for showing political support for Mr. Yeltsin, when Chechnya remains unsettled and the Russians are insisting that the reactor sale will go forward.

The sale is viewed as an aid to the Islamic state in developing nuclear weapons, something the administration is pledged to deter.

## 'Ruined,' Tapie Awaits His Sentencing

By Barry James  
International Herald Tribune

Seemingly shocked, shivering and occasionally holding his head in his hands, the once powerful Socialist politician Bernard Tapie said Wednesday he had been "ruined" by his trial on charges that he tried to buy a key soccer match and suborn witnesses.

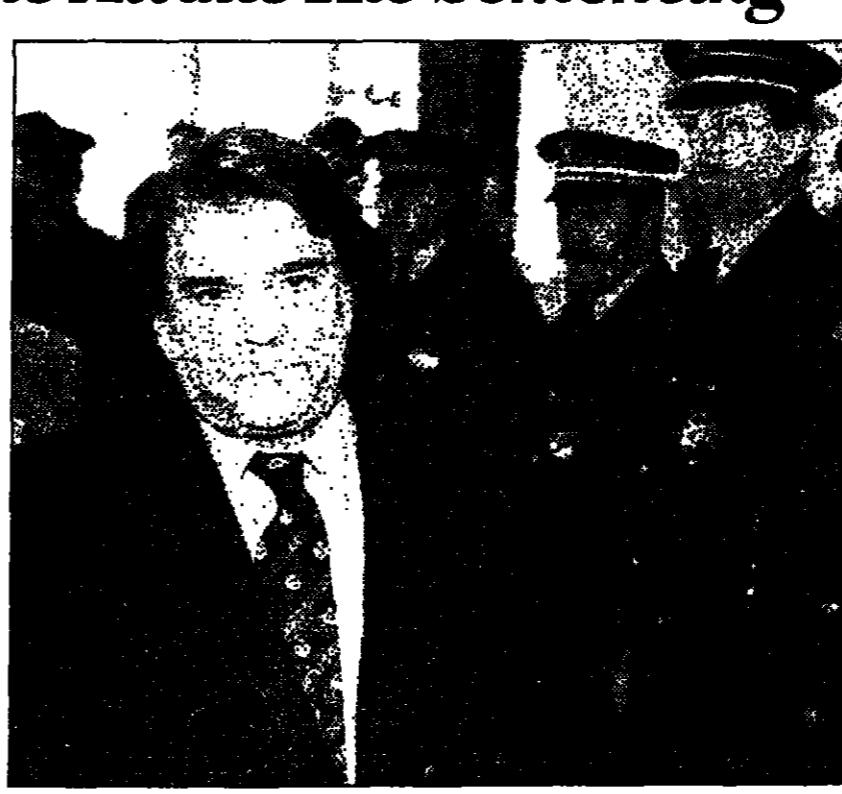
Mr. Tapie, who said his professional and private life had fallen into an abyss, faced additional grave charges after another court decided he should stand trial for tax evasion and fraud relating to the operation of his ocean-going yacht.

"This affair has finished me, ruined me and left me in a financial and professional situation called oblivion," Mr. Tapie said on the final day of the soccer scandal trial at Valenciennes, in northern France.

He said he would have preferred to have spent time in jail than go through what he had suffered in the two-year investigation, which coincided with the collapse of his political hopes and his financial empire.

"You have punished me so much that I did not think you would ask for anything more," said Mr. Tapie, whose swaggering appearance and confident style on the nation's television screens gave way to a nervous stammering as the trial ended.

But later, he shook hands with the prose-



Bernard Tapie arriving Wednesday at his court trial in Valenciennes, France.

Dow Jones	Trib Index
Up 10.38	Down 0.05%
4982.99	111.69
<b>The Dollar</b>	<b>previous close</b>
DM 1.4033	1.4123
Pound 1.5685	1.598
Yen 89.02	89.20
FF 4.969	4.994
<b>Newstand Prices</b>	
Andorra 9.00 FF Luxembourg 80 L Fr	
Andorra 11.20 FF Morocco 12 Dh	
Cameroun 1.400 CFA Qatar 8.00 Fils	
Egypt 9.00 FF Saudi Arabia 12.00 R	
France 8.00 FF Réunion 12.00 FF	
Gabon 9.50 CFA Senegal 8.00 CFA	
Greece 350 Dr. Spain 225 PTAS	
Italy 2,800 Lira Tunisia 1,000 Din	
Iraq 120 CFA Turkey T.L. 45,000	
Jordan 1 JD U.S. 8.50 Dinar	
Lebanon 1 US\$ 1.50 U.S. Mill (EUR) 51.10	

By Christine Spolar  
Washington Post Service

**LEVICE, Slovakia** — Across the flat brown countryside of Slovakia, what seems to be a fine fog softens the outlines of hulking concrete silos at the nearly finished Mochovce nuclear power plant.

But one breath of the throat-catching mist — an airborne soup made of coal fumes and gasoline exhaust — makes clear why Slovakia is lobbying to complete the mothballed plant and start producing electricity without air pollution.

But Mochovce, a 12-year-old Slovak ambition bedeviled by poor planning, meager technology and the fall of Communism, has become the latest, and most public, forum for the debate over what to do with two dozen nuclear plants of Soviet design awaiting completion in Central and Eastern Europe and Russia.

A vote on whether to upgrade the plant with a \$280 million loan from the European Bank for Reconstruction and Development, the largest in the multinational bank's four-year history, is scheduled to take place next week.

Slovakia has asked the bank to delay its decision, a bank official said Wednesday. Agence France-Presse reported from London. Prime Minister Vladimir Mečiar has asked that the decision be deferred until the bank's general assembly next month, the official said.

The looming vote has focused attention on Mochovce and similar plants where the desire to acquire cheap, clean power is pitted against the fear of contamination from outmoded and ill-conceived nuclear technology.

What will happen is anyone's guess, with opposition by neighboring Austria and environmentalists on both sides of the Atlantic, who fear that Western upgrades will be an uneasy mix with Soviet technology.

There is concern about the specifics of Mochovce but there are also concerns about what it means for other half-finished plants," said Philip Weller, an organizer for Global 2000, an Austrian environmental group that protested Wednesday out-

side the European Bank's London offices.

"And then there's another question," he added. "Why are much-needed Western finances going to Eastern Europe to promote energy sources that we don't want in the West?"

Chernobyl, the Ukraine reactor that spewed radioactive gases across Europe in 1986 and remains in use, is the reference point among those who argue against restarting projects like Mochovce, a 90-minute drive east of Bratislava, the Slovak capital.

Substandard Soviet design and construction, compounded by years of neglect,

See REACTOR, Page 10

## Poison Gas Dragnet Targets Secret Cult

**Japanese Raids Turn Up Chemicals; Leader Asserts It's 'Time for Death'**

By Nicholas D. Kristof  
New York Times Service

**TOKYO** — The police raided a religious sect's training compound Wednesday, freeing captives and turning up equipment to make poison gas, gas masks and about two tons of chemicals, including some that appeared similar to those used in the nerve gas attack on the Tokyo subway system.

Some 2,500 police officers raided 25 facilities of the cult around the country. Scenes of the raids were broadcast live on television for hours.

At the training compound, in a placid village at the foot of Mount Fuji, police confiscated truckloads of chemicals and discovered a group of people who police said were being held against their will without adequate food and water.

The police also seized \$7.9 million in cash and 10 kilograms (22 pounds) of gold at sites linked to the sect. The Associated Press reported.

The leaders of the cult, known as Aum Shinrikyo, or The Supreme Truth, have vanished. They may have been in a convoy of limousines that was seen on Tuesday fleeing the group's headquarters at speeds of almost 100 miles per hour, heading for Tokyo.

"At last the time has come for death," the group's leader said in a recording released after his disappearance. But he did not make it clear if he meant his death or other people's, and a newly discovered magazine the group was preparing for publication predicts poison gas attacks or other calamities that would kill 90 percent of the residents of major Japanese cities.

The raid on the training ground turned up more than 50 people, most or all of them apparently members of the sect, lying together in a room. All were malnourished and many were so weak that they were barely conscious.

Six of the people were taken by ambulances to a hospital, where doctors said they were severely undernourished and dehydrated.

The local police, in Yamanashi Prefecture, said that the six were not the worst off but were simply the ones who accepted medical treatment. The remaining ones refused treatment and declined to cooperate with the authorities, suggesting that they were fasting voluntarily.

The police arrested four cult members for illegally detaining the six people taken to a hospital. Three of the four were doctors and the fourth refused to identify himself, but it was unclear why doctors were supervising. It was also uncertain whether the six were dissident members of the sect, had tried to escape or were simply fasters who lost their will.

Koji Endo, a taxi driver who said he often took people to the sect's training

compound, said that many of them were not committed members but rather young people who had been invited to visit the facility for a week or two to make up their own minds about the group. "I don't know what happened to them later," Mr. Endo said.

The Russian branch of the sect has a regular program on a Russian radio station, and in a broadcast early this morning it played a tape recorded by the cult's leader, Shoko Asahara, in which he warned that "the time for awakening" and "the time for death" had come. Many of Mr. Asahara's comments were cryptic, but he also emphasized that his followers should not fear death and should be ready to die without regret.

Among the chemicals found at the site were bottles labeled acetonitrile, which can be used as a solvent to dilute sarin. Acetonitrile was found in the residue after the Monday morning rush hour attack on five subway trains, in which containers of sarin killed 10 people and injured 5,500.

The police also wheeled out dozens of blue metal drums that were labeled ethyl alcohol. While ethyl alcohol has many uses and would not normally be used in making sarin, it is used to make tabun, another kind of nerve gas.

The sect has denied that it ever used sarin, suggesting that the government staged the subway attack to frame it. But sect members declined to speak to reporters today and would not explain the presence of the chemical stockpile.

A Russian-made helicopter and a Russian-made poison gas detector were found in the training compound.

There has been speculation in Japan that some sarin might have been brought from Russia, where it had been stockpiled in various locations and might have reached the black market.

Buildings owned by Aum Shinrikyo had previously emitted noxious fumes, and last year scientists discovered a byproduct of

See POISON, Page 10

## 'Software Spirit' Lands Manager Top Job at Sony

By Andrew Pollack  
New York Times Service

**TOKYO** — Sony Corp. reached well down into its management ranks Wednesday and named a dark-horse candidate to be its next president, a choice the company said reaffirmed Sony's commitment to its troubled movie business.

Nobuyuki Idei, a jack-of-all-trades who is the managing director in charge of corporate communications, will shape Sony's course as it enters an era in which it will be without the guidance of its visionary founder, Akio Morita, who retired as chairman last November after suffering a stroke a year earlier.

The management transition comes at a critical time for Sony. The company suffered \$3.2 billion in write-offs and losses in its movie business last November because of cost overruns, management turmoil and box-office flops. Its core consumer electronics business faces the grim prospect of shrinking profit margins, a trend that will be made worse by the soaring Japanese yen. And some people inside and outside the company say Sony has lost the flair that made it the electronics industry's leading innovator.

Mr. Idei, 57, will replace Norio Ohga, who has been president for 13 years, most of the time sharing power with Mr. Morita, and who was



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## Candidates Warn on Republican Backsliding

By Dan Balz  
and Ruth Marcus  
*Washington Post Service*

WASHINGTON — Two Republican presidential candidates have warned their party colleagues in Congress against backsliding on key elements of the "Contract With America" and said they did not fear the expected entry of Governor Pete Wilson of California into the 1996 nomination fight.

Mr. Wilson plans to announce Thursday in Los Angeles that he is forming a presidential exploratory committee. Aides said his formal entry into the race would come later in the spring. He will establish the committee just before taking a trip east that will include at least two fund-raising events to help retire a \$1 million debt left over from his re-election campaign last fall.

He had pledged during that campaign that he would serve out the full four years of his term, but he has been under pressure to join the 1996 race and has spent the last month in intensive examination of his chances.

But Senator Phil Gramm of Texas, and Lamar Alexander, the former governor of Tennessee, played down the impact of his candidacy on their own.

"I personally do not see Pete Wilson's entry into the campaign having much effect on me," Mr. Gramm said at the National Press Club. "I hope and believe that I'm going to win, and therefore, by definition, I have concluded that Pete Wilson probably is not going to win."

Mr. Alexander called Mr. Wilson a "formidable figure" in the party, but said his own record in Tennessee would stack up well against Mr. Wilson's record in California.

Mr. Alexander and Mr. Gramm expressed more concern about developments in Congress.

Mr. Gramm lashed out at some of his Republican colleagues on the Senate Finance Committee, who after a weekend retreat with committee Democrats said the proposed tax cuts in the House may be incompatible with sensible efforts to cut the budget deficit.

"Let me assure you that tax cuts are in order in the Republican Senate," Mr. Gramm said. "The United States Senate is not going to become a black hole for the 'Contract With America'."

Asked whether he believed Bob Dole, the Senate majority leader, would allow that to happen, he said, "He's got to answer for himself."

Mr. Alexander, in a press conference, said Republicans should not be influenced by a Washington Post-ABC News Poll suggesting that most Americans think the new Congress may be going too far too fast.

"I think just the reverse," he said. "The greatest danger facing the Republican Congress is that it would be too timid."

Mr. Alexander pointed to the Senate's rejection of the balanced budget amendment to the constitution and to the erosion in support for term limits, deploring that the terms of service have gotten "longer and longer."

He also said the Republican welfare plan imposes requirements on states rather than transferring full authority to them.

### Away From Politics

• Jurors in the New York terrorism trial of a Muslim cleric and 10 others watched a videotape of a practice drive, taken by an informant, through the Lincoln and Holland Tunnels that the government contends the group planned to blow up.

The informant, Emad Salem, said that the plot's mastermind, Siddig Ibrahim Siddig Ali, made the tape so they could show the other conspirators where to plant bombs. (Reuters)

• A suspect has been arrested in the shooting deaths of two postal employees and two customers during a robbery at a post office in Monclair, New Jersey. The suspect's identity was not released.

• Two convicted killers who spent nearly 17 years on death row have been executed by injection at the Joliet, Illinois, prison.

The convicts are James Free, 41, convicted of murdering an office worker, and Hernando Williams, 40, who abducted, raped and shot to death a woman he had held prisoner in the trunk of his car for 36 hours. Both killings were in 1978. The executions were the third and fourth in Illinois since the state reinstated the death penalty in 1977. (AP)

• The New York City Council has rejected Mayor Rudolph W. Giuliani's plan to remove the city's 16,300 fire alarm boxes. Mr. Giuliani has championed the removal of the boxes, which have been a feature of New York City streets since the 1970s. The mayor argued that New York was one of the few cities in the nation still using street alarm boxes and that the Fire Department has said that more than 90 percent of the 300,000 alarms called in on the boxes each year prove false. (NYT)

• A cousin of John Crumpley, 18, who is charged in the 1993 murder of a British tourist, has testified in Gainesville, Florida, that the teenager had told him he was involved in the attack. (Reuters)

## Republicans Move to Tear Apart Welfare System

By Robert Pear  
*New York Times Service*

WASHINGTON — The House of Representatives has taken up sweeping legislation that would dismantle many elements of the social welfare systems put in place by the federal government over the past 60 years.

"Based on the hysterical cries of those who seek to defend the failed welfare state, you would have thought Republicans were eliminating welfare in its entirety," said Representative Bill Archer of Texas, chairman of the Ways and Means Committee.

Mr. Archer, declaring that "the Republican welfare revolution is at hand," said the Republican bill sought "the broadest overhaul of welfare ever proposed."

For their part, Democrats acknowledged that their substitute measure had little chance of passing, but they

predicted that they would make political gains by attacking the Republicans as cruel to children.

The Congressional Budget Office said this week that the Republican bill would cut \$69 billion, or 6 percent, from projected spending of \$1.1 trillion on welfare, food assistance, child care, Medicaid and other programs over five years.

The cuts appear larger — about 11 percent of projected spending — if Medicaid is omitted from the calculations, as Democrats say it should be. The bill makes minor changes in Medicaid, the health program for low-income people.

The outlook for the bill in the Senate is murky. Senators of both parties have expressed doubts about the House Republican plan to give each state a lump sum of money to help the poor, with few federal stan-

dards or guarantees. Many senators say the federal government must retain more responsibility for the use of federal tax revenue.

Representative Harold L. Volkmer, a Missouri Democrat, attacked the Republican bill as "very mean-spirited, very radical."

The welfare bill, a cornerstone of the Republicans' "Contract With America," would replace several programs, like Aid to Families With Dependent Children and the school lunch program, which guarantee benefits to anyone who meets the eligibility criteria, with direct cash payments to states. The states could then use the money in any way they chose to assist low-income people.

Republicans are still wrestling with the concerns of anti-abortion groups and some Republican lawmakers who say that provisions of the bill would

encourage abortions. Those provisions would prohibit use of federal money to provide cash assistance to children born to unmarried women under 18 or to women of any age already receiving welfare.

House Republican leaders said the ban on cash assistance for those children would probably remain in the House bill. But they said they might accept amendments allowing such families to receive assistance in the form of vouchers, which could be used to buy diapers and clothing for the children.

Representative Bill Goodling, a Pennsylvania Republican, said current welfare programs had "enslaved" the poor. And Representative Gerald B.H. Solomon, a Republican from New York, asked, "What is compassionate about welfare programs that encourage dependency for two, three or four generations?"

### POLITICAL NOTES

#### Clinton Signs a 2d 'Contract' Bill

WASHINGTON — In a rare show of bipartisan handiwork, President Bill Clinton signed a second piece of the Republican "Contract With America" into law, requiring Washington to pay for rules its foists on states.

Still opposing most aspects of the House Republican "contract," Mr. Clinton said the so-called unfunded mandates law "shows that Republicans and Democrats can come together and break gridlock." Two months ago, Mr. Clinton signed into law the first "contract" item passed by Congress, requiring lawmakers to abide by the same employment laws as the private sector. The rest of the contract is likely to get a frostier reception at the White House.

The "unfunded mandates" bill requires cost-benefit analyses of any regulations that cost states and localities more than \$50 million a year or businesses more than \$100 million. Congress must pay state and local governments for any costs above \$50 million. (AP)

#### Renewed Effort to Protect Flag

WASHINGTON — With newfound confidence, some of the staunchest conservatives on Capitol Hill have reintroduced a proposal to amend the constitution to protect the American flag from acts of desecration and said they expected the measure to pass.

A similar effort failed five years ago. Senators Orrin G. Hatch, Republican of Utah, Strom Thurmond, Republican of South Carolina, and Howell Heflin, Democrat of Alabama, said, however, that the atmosphere on Capitol Hill had changed enough since 1990 that such a measure could probably carry the day. (NYT)

#### Whitewater Realtor Pleads Guilty

WASHINGTON — The Arkansas real estate salesman who handled the Clintons' land dealings has pleaded guilty to two charges of bankruptcy fraud, giving the Whitewater special counsel a witness with detailed knowledge of the venture.

The man, Chris V. Wade, handled the finances of the failed Whitewater enterprise from its earliest days and worked closely with James B. McDougal, the owner of a failed Arkansas savings and loan who was the Clintons' partner in the Whitewater Development Co.

The Whitewater special counsel, Kenneth W. Starr, is investigating whether Mr. McDougal illegally diverted federally insured money from the Madison Guaranty Savings & Loan Association, which he owned. Madison later collapsed at a cost to taxpayers of more than \$60 million. (NYT)

#### Federal Buyout Program a Success

WASHINGTON — The gigantic federal job buyout program, which already has cost \$1.9 billion, may be one of the highlights of the Clinton administration.

It has allowed the government to downsize without a reduction in force that would have slashed the number of women and minorities at all grade levels in offices around the country. The reduction in force almost certainly would have cost the taxpayers more — in severance payments, unemployment and chaos in federal agencies — than the maximum \$25,000 voluntary separation incentive payments. In many cases, agencies got rid of executives making well over \$100,000 for a quarter of their annual salary. (WP)

#### Quote/Unquote

William F. Goodling, Republican of Pennsylvania, chairman of the House Economic and Educational Opportunities Committee, on reducing Republican efforts to reverse decades of social welfare policy: "Generation after generation, we have enslaved these people. Unless we make a change, they will never get an opportunity to achieve the American dream." (WP)

## Guest Tells of Talks With Simpson Before Murders

Compiled by Our Staff From Dispatches

LOS ANGELES — O.J. Simpson's former houseguest, Brian (Kato) Kaelin, testified Wednesday that Mr. Simpson told him that his former wife had refused to let him talk to their daughter at a dance recital a few hours before she was murdered.

Mr. Kaelin, who was then living at Mr. Simpson's estate, recounted a conversation with Mr. Simpson after the June 12 recital featuring Sydney Simpson and other children. Nicole Brown Simpson and her friend Ronald L. Goldman were slashed and stabbed to death later that evening.

Mr. Kaelin had testified Tuesday that Mr. Simpson told him only hours before the murders that his relationship with her was over.

His testimony is considered crucial since, as Mr. Simpson's houseguest, he was the last person to see him before the murderers and the first to see him afterward.

On Wednesday, Mr. Kaelin said that Mr. Simpson had told him about a conversation with his former wife at the recital.

"He wanted to talk to Sydney, and I don't think — Nicole wasn't going to give him time to talk to Sydney, and I think they went off somewhere," he said, referring to Mrs. Simpson and her children.

The earlier conversation with



Patricia Ann Cochran, the former companion of Johnnie L. Cochran Jr., crying in Los Angeles on Tuesday as she announced she was suing the chief of the Simpson defense team, with whom she has had a child, for cutting off support payments of \$4,000 a month.

Mr. Simpson took place on the afternoon of June 12, 1994, before Mr. Simpson left for Sydney's dance recital, Mr. Kaelin testified Tuesday.

When the chief prosecutor, Marcia Clark, asked Mr. Kaelin

told him that his girlfriend,

about that conversation, he testified haltingly: "I mean, I was reading the paper and it would come up about just Nicole, that their relationship was over."

Mr. Kaelin said Mr. Simpson told him that his girlfriend,

Paula Barbieri, was upset because she wanted to go to the recital with Mr. Simpson and he wanted to go alone "to make it a family thing."

Prosecutors also outlined a narrow window of opportunity

for the former football star to carry out the double slayings.

Mr. Kaelin said he and Mr. Simpson went out for hamburgers on the evening of June 12, before the killings. Using telephone records, the prosecution was able to show that they returned from dinner by 9:37 P.M., giving Mr. Simpson an opportunity to commit the murders before his late-night flight to Chicago.

The defense was expected to argue that Mr. Simpson was unable to commit the murders because of a lack of time between that outing and the flight.

Mr. Kaelin testified that he met Nicole Brown in late 1992, after she had divorced Mr. Simpson, and had lived in a guest cottage at her home for a year, ending in January of 1994. He then moved to Mr. Simpson's estate, at his suggestion.

Mr. Kaelin said he and Mrs. Simpson were friends but never lovers, and he drew laughter from the courtroom when he was asked if he thought Mr. Simpson might help his acting career.

"I didn't think we were going for the same parts," Mr. Kaelin said.

The court also released a prosecution motion, which had been filed Tuesday, asking that the jury be permitted to see the autopsy photos of the victims. (AP, AFP, Reuters)

## School Prayer: A New Verse

### Opponents Agree to Lower Tone of Debate

By Rene Sanchez  
*Washington Post Service*

WASHINGTON — Education Secretary Richard W. Riley and 17 education and religious groups that often are bitter opponents — from the liberal People for the American Way to the National Association of Evangelicals — have vowed to improve the tone of the debate over the role of religion in U.S. public schools.

Leaders of those groups said they hoped that the sight of them standing together would help reduce the growing hostility they said exists in many communities about allowing prayer or other religious activities in school.

"This is good news for public education in America," Mr. Riley said Tuesday at the Freedom Forum in Arlington, Virginia, a nonprofit foundation that sponsored the gathering. "There has been an intensity

surrounding this debate, and at times the results are corrosive and harmful."

He added, "We need to lower our voices."

Although prayer is an especially contentious issue for many public school districts, parents and community leaders also clash on a range of other religious issues — from the content of sex education courses, to the access ministers may have to students, to whether a picture of Jesus can hang on public school property.

Later this year, the new Republican-led Congress is planning to examine proposals to allow some form of prayer in schools, and to provide money or tax credits to parents who send their children to religious schools.

Without mentioning any of those issues, Mr. Riley and other education and religious leaders endorsed a set of principles that state, in general terms, that public schools should neither

promote nor inhibit any particular religious expression, and they call for more civil debate.

Still, Forest Montgomery, a spokesman for the National Association of Evangelicals, which represents more than 50,000 churches nationally, said Tuesday's action could send an important message to feuding communities.

"It's an attempt to find common ground," he said. "The brevity of the statement doesn't mean there isn't wisdom there. There is."

He added that both sides needed "to show more understanding and more accommodation."

Other groups who backed the statement include the Christian Coalition, the National Council of Churches, the National School Boards Association and the American Federation of Teachers. Their leaders said that while they have profoundly different views, they recognize the need for more constructive debate.

## N.Y. Train Killer Draws 6 Life Terms

The Associated Press

MINEOLA, New York — The man who gunned down six people on a commuter train in 1993 and then cross-examined survivors of the massacre at his trial was sentenced Wednesday to the maximum punishment — six consecutive terms of life in prison.

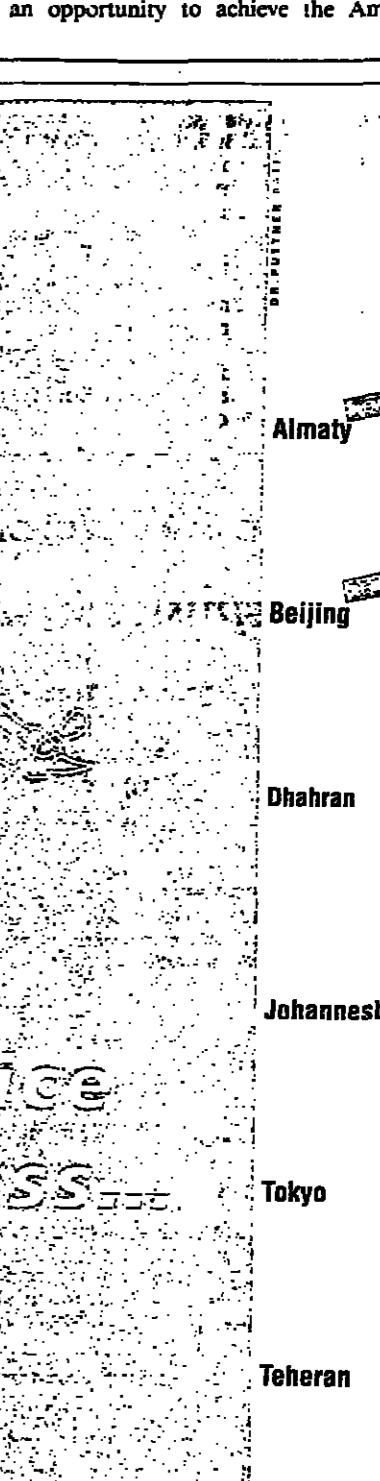
Colin Ferguson also received

consecutive terms of 8½ years to 25 years in prison on each of 19 counts of attempted murder.

Mr. Ferguson, who acted as his own attorney at the trial, was convicted of killing six people and wounding 19 as he walked down the aisle of a crowded Long Island Rail Road train on Dec. 7, 1993, firing a semi-automatic gun.

Great service has a name: Austrian Airlines Grand Class. Let us convince you during your

long-haul flight on board the new Airbus A340. Via our cross-roads in Vienna, we fly non-stop to Beijing, Tokyo, Johannesburg and Almaty as well as to major destinations in the Middle East. Enjoy Austrian hospitality, international comfort, sleeper seats and five course meals of the finest quality in our Grand Class. In addition to this, our A340 Grand Class comfort includes individual in-seat TV monitors and telephone satellite links to keep you in touch around the world. Welcome to the great Austrian Grand Class.



• Two convicted killers who spent nearly 17 years on death row have been executed by injection at the Joliet, Illinois, prison.

The convicts are James Free, 41, convicted of murdering an office worker, and Hernando Williams, 40, who abducted, raped and shot to death a woman he had held prisoner in the trunk of his car for 36 hours.

Both killings were in 1978. The executions were the third and fourth in Illinois since the state reinstated the death penalty in 1977. (AP)

• The New York City Council has rejected Mayor Rudolph W. Giuliani's plan to remove the city's 16,3

# Manila Assails Singapore

## Ramos Recalls Envoy Over Maid's Hanging

Compiled by Our Staff From Dispatches

MANILA — President Fidel V. Ramos of the Philippines went on the offensive against Singapore on Wednesday, recalling Manila's ambassador and threatening to cut off diplomatic ties over the execution of a Filipino maid convicted of murder.

Singapore responded by recalling its ambassador for consultations.

The hanging of Flor Contemplacion in Singapore on Friday has sparked nationwide anger here, leading to street protests, calls to boycott Singaporean companies and the burning of the Singapore flag.

The 42-year-old mother of four, who admitted she killed another Filipino maid and a Singaporean boy in 1991, was deemed by many Filipinos to be innocent of the crimes and hailed by President Ramos as a "heroine."

Diplomats said the crisis was one of the most serious between members of the Association of South East Asian Nations since the six-member alliance was formed 28 years ago.

Although Mr. Ramos and independent analysts said that the rift would not affect the unity of the association, the conflict threatens bilateral ties that were formalized in 1966.

In the first of a series of moves Wednesday, Mr. Ramos

downgraded the Philippine mission in Singapore by recalling Ambassador Alicia Ramos "indefinitely" and replacing her with a chargé d'affaires.

The Foreign Ministry in Singapore responded a few hours later by recalling its ambassador to Manila, Tan Seng Chye, for consultations.

Mr. Ramos, whose appeals for a stay of the execution were rejected, warned at a news conference that if a special commission he had formed to investigate the case found that the maid was unjustly hanged, he would not hesitate to cut off diplomatic relations. The commission will begin hearings Thursday and will submit its findings on April 6.

The president said: "I would like to emphasize that we value our relationship with other countries, yet if this inquiry produces evidence to show Contemplacion has indeed been the victim of injustice from another country, we stand ready to sever our relationship with that country."

But Mr. Ramos said Filipinos must be ready to swallow their words if the inquiry established the maid's guilt.

"If, on the other hand, the facts bear out another verdict," he said, "I say that we must also have the grace to acknowledge before the world that our outrage has been misplaced."

A spokesman for the Foreign Ministry in Singapore said, "In view of the emotionally charged situation in the Philippines, Singapore will exercise restraint in its comments for the time being."

New evidence came to light this month that Mrs. Contemplacion was not guilty of the murders. But the spokesman for the Singapore Foreign Ministry said that the evidence "was thoroughly investigated and found to be untrue."

After the hanging, Prime Minister Goh Chok Tong of Singapore postponed a visit to Manila that had been scheduled for next month.

Mr. Ramos also canceled the scheduled March 29-31 visit to Singapore of the armed forces' chief, General Arturo Enrile, and indefinitely postponed Philippine-Singapore joint naval exercises scheduled for July.

He banned new deployments of Filipino maids to Singapore and ordered that a travel advisory would be issued to Filipinos bound for that country.

He placed on standby a military transport plane to repatriate some of the 60,000 Filipinos working in Singapore if, "for reasons of personal safety," they wanted to come home.

The president angrily rejected a diplomatic protest by Singapore over the burning of its flag during a rally in the town of Davao, reminding the city state in a veiled swipe that there was "freedom of expression" in the Philippines.

Singapore had demanded that the flag-burners be prosecuted and similar acts be prevented.

Mr. Ramos said Singapore's envoy to Manila was told late Tuesday "in no uncertain terms" of Manila's "displeasure



President Ramos announcing Wednesday that Manila was downgrading diplomatic ties with Singapore "indefinitely."

and dismay at the language" of the protest.

He assured the envoy, however, that Singaporean nationals and property in the Philippines would be protected and urged Singapore to "accord the same" to Filipinos there. Singapore said it would deal firmly with attempts to harm or intimidate its people in the Philippines. (AFP, Reuters)

## He's No Pinup, But Deng Heir Smiles in Poster

Reuters

BEIJING — China on Wednesday unveiled a poster depicting the Communist Party chief, Jiang Zemin, gazing respectfully at the country's senior leader, Deng Xiaoping, in what analysts say is the first sign of a cult to bolster Mr. Deng's chosen heir.

The colored brush painting shows a smiling Mr. Jiang looking at Mr. Deng, also smiling, who stands in front of him gesticulating and supported by a cane.

The painting is called "Glad and at Ease" — a title reminiscent of the words of Mao Zedong to his chosen successor. Mao said to Hu Guofeng: "With you in charge my heart is at ease."

The party is trying to promote Jiang to the ranks of Mao and Deng, a political analyst said. "Jiang is not qualified to have his own poster so he has to rely on Deng."

## BRIEFLY ASIA

### Hints of Cooperation on Spratlys

BEIJING — China and the Philippines ended three days of talks here Wednesday on a dispute over the Spratly Islands, as Beijing hinted that the two countries could cooperate in developing the area.

Officials of China's Foreign Ministry, quoted by the Xinhua news agency, said the two sides had agreed to solve the dispute peacefully and would conduct further talks at an unspecified date. The two sides also studied the possibility of cooperation in the disputed South China Sea island chain, the official press agency said.

In a statement issued in Manila, Foreign Secretary Roberto Romulo said the two sides "agreed that further discussions would be held on this subject."

Xinhua said the two sides had "fully exchanged views" on the Spratlys, including Mischief Reef, which is claimed by the Philippines, where Manila says Beijing has illegally deployed warships and built permanent structures. (AFP)

### South Korea Warns North on Pact

SEOUL — President Kim Young Sam of South Korea, fueling a war of words with the Communist North, on Wednesday threatened Pyongyang with punishment if it pulled out of a landmark nuclear pact with the United States.

Mr. Kim, speaking at a military graduation ceremony, accused North Korea of building up its military strength, sabotaging the fragile peace pact that ended the 1950-53 Korean War and stepping up a campaign of anti-South Korean invective.

North Korea will not be able to avoid being punished by the freedom and peace-loving world if it refuses to honor the nuclear agreement and thus chooses to run counter to the currents of the times," Mr. Kim told the graduates. (Reuters)

### Bombay Entry Cuts Are Rejected

NEW DELHI — India's main Hindu-nationalist party, which rules Bombay in coalition with an ally, said Wednesday that it was against curbing the entry of people into the country's financial capital.

The Bharatiya Janata Party declared in Parliament that it would never tolerate restrictions on the entry of Indians into the bustling metropolis.

Bombay is the capital of Maharashtra, India's most industrialized state where the nationalist Bharatiya Janata Party and its militant ally, the Shiv Sena, came to power last week, ousting Prime Minister P.V. Narasimha Rao's Congress (I) party.

### VOICES From Asia

Kuniyoshi Take, a professor at Doshisha Women's University, on why seifs are popular in Japan's rigid educational system, which leaves young people with a longing for "something totalitarien": "Japanese are a people who rarely make decisions for themselves. We need more education in democracy." (AP)

Mullah Mohammed Rabbari, commander of the Taliban militia of Islamic students, on peace talks with President Burhanuddin Rabbani: "Rabbani has broken every promise and commitment he has made to us in the past. If they give us back all the positions we occupied around Kabul, then we will know they are ready for negotiations." (Reuters)

Kea Main, leader of a group of Maori protesters ordered to leave a public park in the town of Wanganui, New Zealand, which they have occupied for three weeks to back claims that it is their ancestral land: "We will continue to celebrate on our lands and if we are removed from our lands, we will continue to return, and return and return." (AFP)

# Bhutto Appeals for U.S. Aid in Fighting Terrorism

By John F. Burns  
New York Times Service

ISLAMABAD, Pakistan — Under growing pressure to crack down on Muslim militants suspected of plotting terrorist attacks abroad, Prime Minister Benazir Bhutto has said that her government favors closing clandestine training centers in Pakistan's North-West Frontier Province but will need help from the United States.

"We in Pakistan simply don't have the resources on our own to carry out the entire cleansing operation," said Miss Bhutto, who met with U.S. reporters on Tuesday ahead of a two-day visit by Hillary Rodham Clinton that begins this weekend.

Miss Bhutto is scheduled to meet with President Bill Clinton in Washington next month.

The Pakistani leader said she would appeal to the United States and to other countries to help her close suspected bases of Arab and Asian militants, including Muslim religious schools and other organizations that have been used as fronts for terrorist activities.

Questioning of terrorist suspects seized recently in Peshawar, the capital of North-West Frontier Province, has revealed that the suspected mastermind of the 1993 bombing of the World Trade Center in New York made a botched attempt to kill Miss Bhutto during the 1993 election campaign that returned her to power, Pakistani

newspapers reported last weekend.

The suspect, Ramzi Ahmed Yousef, was captured in a boarding school in Islamabad six weeks ago and was immediately deported to New York.

The newspaper reports quoted unnamed police officials as saying that Mr. Yousef had accidentally detonated a bomb he originally intended to place under a manhole cover near Miss Bhutto's family home in Karachi in September 1993. The reports said Mr. Yousef was treated for injuries to his hands at the Aga Khan hospital in Karachi and released.

Confirming the reports, Miss Bhutto said Pakistan had not known the extent of the terrorist underground here or its in-

ternational links until Mr. Yousef's arrest by U.S. and Pakistani agents in Islamabad on Feb. 7 set off a wider inquiry.

"It was deeply disturbing to Pakistan that somebody who is an international terrorist should have such deep roots within Pakistan, and that he should seek to influence the course of an election," she said.

Miss Bhutto also revealed that the police are looking for an uncle of Mr. Yousef.

She did not name him but said that he had recently disappeared from his position as the director of an Arab assistance organization in Peshawar, one of a cluster of Arab social, educational and relief organizations

being investigated for possible terrorist links.

Miss Bhutto added that the police had "plenty of photographs" of the man with what she described as "higher-ups in Pakistan."

She said the photographs "could be innocent, or not," and that the police would investigate to determine whether Mr. Yousef's terrorist connections extended to influential people in Pakistan.

There is a growing sense among Pakistanis that those responsible for the widespread lawlessness in the country in recent years — the drug barons who control the country's pervasive heroin-trafficking, the gangs that have run amok in Karachi and the terrorist underworld in Peshawar — are protected by a network of influential politicians and businessmen.

Miss Bhutto hinted that powerful forces are arrayed against the government when she said that Pakistan could not move on its own against terrorists.

While her government is prepared to move against "drug barons, militants and terrorists" in a way that previous governments have not, she said, "Pakistan on its own cannot just go and shut down" terrorist training camps, religious schools and other places used as terrorist fronts because doing so would prompt the militants to fan out across Pakistan and step up their campaign of violence.

Major cities should step up the construction of centralized heating systems and cut back on the direct use of crude oil, he said.

An international report to be unveiled in China next week de-

scribed the environmental implications of the country's eco-

nomics as staggering.

China's dependency on coal as a prime energy source makes it the developing world's largest generator of carbon dioxide emissions, the report said. The report was compiled by the National Environmental Protection Agency, the UN Development Program and the World Bank.

In these and other remarks, she appeared to be suggesting that the Clinton administration should bolster Pakistan's stability by moving to restore aid programs that were worth more than \$600 million annually before Washington cut off all economic and military assistance to the country in 1990.

But aides to the Pakistani leader said her call for American help also was a reference to the use of U.S. influence in persuading other governments, particularly in the Middle East and North Africa, to take back their own nationals who have joined terrorist groups here.

China accounts for 10 per-

cent of all the greenhouse gas

emissions on the planet, it said, adding that annual demand for coal in China was forecast to triple to 3.1 billion tons by 2020.

In deciding their stance in the tug-of-war between commercial interests and social responsibility, many of our leaders unfortunately give weight to the former," the signed editorial said.

"To them, economic develop-

ment is a hard quota which tells

the quality of their perfor-

mance. Cultural and scientific

prosperity, on the other hand, is

something more abstract which

they can just pay lip service to."

The commentator, Kang

Bing, said the government

needed to devise a system by

which officials' contributions to

cultural and social construction

can be quantified and reward-

ed.

Such a system might make

policyholders rethink before

pulling down the bookstores

and closing libraries, he said.

Official zeal to spruce up

China's drab city centers with

glitzy emporiums has taken a

heavy toll on bookstores, most

of them spartan buildings dat-

ing back to the 1950s that make

little or no money.

Few have the cash flow to

afford soaring rents in the city

center.

The latest to fall was the

Guizhou Science and Technol-

ogy Bookstore, which was

forced to move to several sites

around the capital of Guizhou

Province. Mr. Kang said this

dismemberment made its sur-

vival impossible.

The most prominent victim

was the Ximena Book Store in

Beijing's premier shopping

street, Wangfujing. It was

closed in 1994 to make way for

the Orient Plaza supermall.

Later, the state held work

on Orient Plaza, saying zoning

officials had violated the city

plan by approving a complex

too vast for the site.

### INTERNATIONAL CLASSIFIED

#### TODAY'S INTERNATIONAL EDUCATION IN THE NORDIC COUNTRIES

Appears on Pages 12 &amp



# Disarray in Contact Group Adds to the Woes in Bosnia

By Steven Greenhouse  
New York Times Service

**PARIS** — With great fanfare last spring, the United States, Russia, France, Britain and Germany formed the so-called Contact Group, confident that their collective diplomatic might would enable them to press Bosnia's warring factions to make peace.

A year has passed, and not only does peace in Bosnia seem as elusive as ever, but many diplomats say the Contact Group is on the brink of falling apart. The five powers seem to spend more time quarreling about Bosnia than exerting pressure on the Muslims, Serbs and Croats.

There are as many differences within the group as there are members. The Clinton administration says it wants the United Nations to lift the arms embargo against Bosnia's Muslim-led government to step up pressure on Bosnian

Serbs, but Britain, France and Russia oppose ending the embargo.

France has proposed a summit meeting of the leaders of the group and the former Yugoslav republics, which U.S. officials called premature.

[The United States and France agreed on Wednesday on urgent diplomatic steps to try to prevent a looming resumption of war. Foreign Minister Alain Juppé of France and U.S. officials said. Reuters reported from Paris.]

[After talks with Secretary of State Warren M. Christopher, Mr. Juppé said they had agreed to reactivate the Contact Group with the immediate aim of maintaining U.S. peacekeepers in Croatia and prolonging a crumbling cease-fire in Bosnia.]

U.S. diplomats complain that Britain and France are all too eager to make concessions to President Slobodan Milošević of Serbia to cajole him into pushing the Bosnian Serbs to make peace.

"The situation right now within the Contact Group is total disarray," said one of the administration's top policymakers on the Balkans. "At this point, people will have to decide whether the Contact Group has any usefulness left or not."

In the group's biggest controversy, the United States and the Europeans insist that economic sanctions on Serbia should not be lifted until it formally recognizes Bosnia and Croatia. But Foreign Minister Andrei V. Kozyrev of Russia told Mr. Milošević last month to grant recognition only after sanctions were removed.

"The idea for the Contact Group was we were going to come up with a position, stick to it and use our leverage to make it happen," one American diplomat said. "The Contact Group has stumbled badly, primarily because Russia has gone off on its own. The Russians have used the group as a means to advance the Serbian agenda, rather than to impose the Contact Group's position."

Mr. Christopher flew to Europe on Tuesday to meet with Mr. Juppé, and with Mr. Kozyrev on Wednesday and Thursday in Geneva.

Aides accompanying Mr. Christopher said one purpose of the trip is to revive the Contact Group and push the stalled negotiations forward.

The Contact Group can boast of a few achievements. It helped persuade Mr. Milošević to close Serbia's border with Bosnian Serbs, a closing that U.S. officials say is full of holes. In perhaps its most important accomplishment, it put together a peace plan that would give Bosnia's government 51 percent of the territory and the Bosnian Serbs 49 percent.

Bosnia's government has accepted the plan, while Mr. Milošević has given it his grudging, partial blessing. But the Bosnian Serbs, who control 70 percent of Bosnia's land, have rejected it.

## A Russian Ultimatum to Chechen Rebels

Compiled by Our Staff From Dispatches

**SHALI, Russia** — Russian forces delivered a harsh blow to Chechen separatist forces Wednesday, moving to encircle the main rebel bastion of Shali and issuing an ultimatum to those fighters now trapped in nearby Argun to surrender their arms.

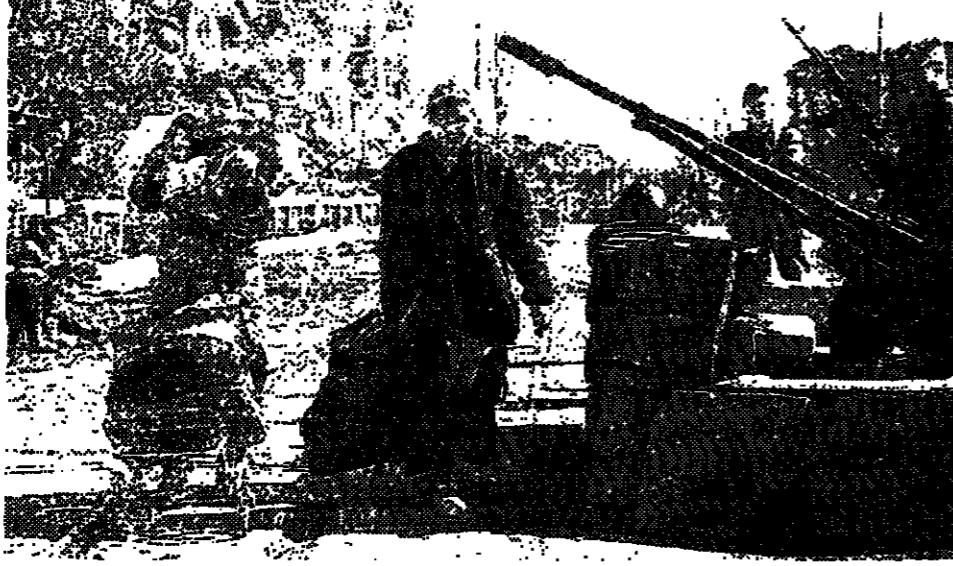
Ground forces advanced Wednesday, forming a semi-circle around Shali, after capturing the village of Mesker Yurt, 11 kilometers (7 miles) to the north in overnight fighting. Chechen soldiers and civilian refugees said.

The Russian forces cut off the main road between Shali and the rebel stronghold of Argun as a maneuver evidently designed to encircle this town, where fighters loyal to President Dzhokhar Dudayev are based.

Russian tanks and infantry control escape routes from Shali to the west and north, while Russian planes and helicopters regularly bomb and strafe roads to the east and south.

The center of Shali itself was rocketed at midmorning, as refugees crammed their belongings into trucks and joined the exodus toward the mountains in the south.

Sukhoi-25 fighter bombers attacked Shali on Wednesday and hit targets east, southeast and south of the town in an arc of about 8 kilometers. The



Refugees passing a Russian checkpoint on Wednesday as they returned to Grozny.

planes could be seen continuously circling high in the sky, then diving and firing rockets.

It was not immediately clear whether there were casualties.

Chechen rebels said they had executed a captured Russian bomber pilot on Tuesday for carrying out raids on Shali, a Chechen government spokesman told the Interfax news agency.

Russian troops on Tuesday had crossed the Argun River, captured an important hill

and taken a road and railroad leading to the city, the government press service reported.

On Wednesday, they issued the ultimatum for surrender. No time period was specified.

Troops had been positioning themselves to take Argun since they seized Grozny in February after weeks of heavy fighting that left the Chechen capital destroyed. Many parts of Argun have also been destroyed by Russian bombardment.

The Russian advances have made it difficult for relief organizations to bring aid to suffering civilians.

"For a few weeks, we have had problems of access to the south," said Marianne Coradazzi of the International Committee of the Red Cross.

The Russian offensive is forcing an increasing number of refugees to seek shelter in villages in southern Chechnya, where they have no medical or other humanitarian aid.

(AP, Reuters, AP)

Seven weapons were seized from a UN storage site over the past week, and more UN vehicles and weapons have been hijacked by Serbian units.

He said the Serbs "must be prepared to respond with all available means."

Serbs fear that government forces are preparing to move against a vital Serbian supply corridor in the extreme northeast.

If it were cut, Serbs in western Bosnia and in Serbian-held parts of Croatia would be severely weakened.

Government forces apparently want to wrest control of artillery positions in the Majevica heights from which the Serbs fire on Tuzla, the second-

largest city held by the government.

UN officials said there were indications that government troops had gained up to three square kilometers (one square mile) of territory, but UN assessments have been limited by restrictions on peacekeepers' movements.

Each side accused the other of initiating the latest fighting, but UN officials said that it appeared that the government troops had started the attack.

"This will be the final battle," Momcilo Krajisnik told the Serbian weekly Javnost.

He said the Serbs "must be prepared to respond with all available means."

Serbs fear that government forces are preparing to move against a vital Serbian supply corridor in the extreme northeast.

On Tuesday alone, three UN vehicles were taken, as well as a machine gun and ammunition.

The weapons at the storage site, which belonged to the warring factions, were put under UN guard after an ultimatum in February 1994 by the North Atlantic Treaty Organization that banned all arms above a caliber of 12.5mm from a 20-kilometer (12.5-mile) radius around the capital.

(AP, Reuters)

## Showdown Ahead, Bosnian Serb Says

### Government Troops on Move

Compiled by Our Staff From Dispatches

**SARAJEVO, Bosnia-Herzegovina** — A Bosnian Serb leader warned Wednesday that a "final battle" was in store following a push by Bosnian government troops toward strategic Serbian positions in the northeast.

The fighting in the Majevica hills and battles for other strategic heights in central Bosnia have alarmed United Nations officials, who have appealed to both sides to stop the battles before a battered truce totally collapses.

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## EUROPEAN TOPICS

### New 500-Franc Bill:

#### A \$14 Million Work

When you're making something that people will look at as closely as a 500-franc bill, you want to be sure to get it right. In the case of the new bill that began circulating in France on Wednesday, getting it right was a frustrating exercise that ended up costing more than 70 million francs (\$14 million).

The brightly colored bill, celebrating the contributions of the Nobel laureate physicists Marie and Pierre Curie, includes a depiction of an atom of radium, an element they discovered. The Curie Institute, watching over the project, approved.

But savvy descendants of the family spotted a misplaced electron, which made this not a radium atom but something quite different. Millions of bills had to be destroyed.

Then came the passage, a year ago, of a penal code with a new clause on counterfeiting. The old clause had already been printed on millions of Curie bills. Out they went. Technical printing problems also took a toll.

In the end, more than 70 million bills — production cost, about 1 franc each — had to be disposed of.

The toughest test may come now, with the bills undergoing public scrutiny. It took a sharp-eyed cleaning woman to point out to the Bank of France a few years ago that its redesigned 50-franc bill had an extra accent on the name of the writer-aviator Antoine de Saint-Exupéry.

In 1906, the Academy of Medicine said a naked child on a new 100-franc bill was suffering from "a lamentable scoliosis, a withered arm, a club foot and one leg shorter than the other."

Four days of debate, fanned by the arguments of those who considered the child's nudity indecent, ensued at the National Assembly. In the end, modesty and its medical backers lost out;

the bill remained in circulation for 39 years.

### Around Europe

Amid a dramatic decline in membership, churchers in Germany are fighting back. The Protestant and Roman Catholic churches have lost 3.4 million members in the last 10 years, and the trend may be accelerating, reports Focus newsmagazine. Many church-leavers cite the religion tax that members are obliged to pay in Germany.

Prayer, it seemed, was not enough to halt the exodus. In Augsburg now, some 300 volunteers work the phones each day in an ambitious effort to reach every one of the city's 120,000 households. Billboards around the city offer a "fresh start" through the churches. Churches are even sponsoring giveaways of watches, umbrellas and pens.

Martin Kluger, an Augsburg marketing specialist, praised the efforts as "very professional." Others are more skeptical. "You can't sell faith," said one Catholic Church official, "the way you do detergent."

Obituaries in British newspapers have become much livelier reading, writes Jane Di Giovanni in The Sunday Times. Where once they glossed over the dead's shortcomings, they have become a source of almost anthropological fascination to those who understand the "code." Increasingly, one finds such phrases as "bon viveur" (translation: heavy drinker), "controversial" (highly unpopular), or "did not suffer fools gladly" (foul-tempered egoist).

The obituary pages have also become more adventurous with their photo selections. When Lord Mulley, a former cabinet minister, died last week, The Times ran a famous photograph of him sound asleep next to the Queen at an official function.

And the Daily Telegraph accompanied its recent obituary of Captain "K.P." Keighly-Peach, a war hero, with a large rear-view photo of the distinguished gentleman posing naked with fellow aviators as part of a dare in 1932.

Brian Knowlton

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\* THE NEW KLM MEMPHIS: As of June 22, 1995, you can now fly 4 times a week from Amsterdam to our newest hub of Memphis. From Memphis, you have connections to Atlanta, Boston, Chicago, Detroit, Houston, Los Angeles, Minneapolis, New York, San Francisco and Washington.

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# International Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## Terror Under Tokyo

Tokyo's 5.8 million subway commuters are frightened after Monday's coordinated attacks on three Tokyo subway lines with the nerve gas sarin. So far, 10 people are known dead and 5,000 injured. The authorities are puzzled about what kind of organization, with what kind of motive, could have conceived and executed these murderous attacks.

New Yorkers can understand the emotions of Tokyo's people and empathize with their plight. New York, too, has been subjected to indiscriminate attacks on ordinary people, such as the 1993 World Trade Center bombing that killed six and injured more than a thousand. New Yorkers also know what it means to have no realistic alternative to mass transit. "If you say you won't ride the subway, you can't make a living in Tokyo," a Tokyo resident told The New York Times hours after the terrorist attacks. It is as true in New York.

Terrorism's nature is to target the innocent to manipulate public fears. The absence of any demands or claims of responsibility makes the Tokyo horror seem particularly pointless and terrifying. The mind craves an explanation, if only to contain the fear. Without a sense of what might or might not be a target, people imagine danger everywhere.

For now, Tokyo commuters sniff as they enter subway cars and flee if they glimpse anything resembling an aban-

doned lunch box, the kind of container the authorities believe was used to transport the sarin. In time, people will revert to the less vigilant routines of ordinary commuting. But they will never completely relax. The fragile psychic balance of urban life has been dealt another brutal knock.

Japan has known terrorism before, from the extreme left and the extreme right. It has seen rockets used against political targets, nerve gas released in residential neighborhoods and even practice runs for Monday's subway attack. But it has known nothing that could match the coordination, precision and audacity of Monday's assault. The vulnerability of urban life to terrorist disruption has been chillingly exposed.

More than most societies, the Japanese cherish safety and predictability. But in the modern world there can be neither. Sarin can be readily synthesized from easily available ingredients. It is dangerous to handle, but difficult to detect. Every subway system in the world is potentially vulnerable to it. New York's included.

Japan goes out of its way to avoid giving offense to terrorist states. It does all it can to discourage foreign residents. That makes it likely that the Tokyo terrorists were home-grown. But citizens everywhere share the same vulnerability, just as they share the grief.

— THE NEW YORK TIMES

## Clinton and Yeltsin

Summits are not lollipops — prizes for good behavior. They are occasions for leaders to work on the tough problems. That is why it is good that President Bill Clinton has decided to hold a summit meeting with Boris Yeltsin in Moscow on May 9. There is no crisis, but there is puzzlement and some anger on both sides.

The summit was hard to arrange. The United States was put off by, among other things, Russia's Chechnya brutalities and its plans to sell nuclear reactors to Iran. Russia grumbled at being expected to make policy adjustments just for President Clinton to be ushered into the Clinton presence. Still, Mr. Yeltsin made a small but useful concession, deciding to commemorate the 50th anniversary of the Allied World War II victory in a form that did not imply his guest's approval of continuing Russian operations in Chechnya. That let Mr. Clinton join it for the stated and worthy purpose of rendering respect to the Russian people's wartime heroism.

Some perspective badly needs to be restored to Russian-American relations. In Washington, current frictions must be set against Moscow's too little noted, historic decision, as Leon Aron has written, to abandon empire great power status, armed might and the priority of for-

ign policy. On its part, Russia needs to work on the tough problems. That is why it is good that President Bill Clinton has decided to hold a summit meeting with Boris Yeltsin in Moscow on May 9. There is no crisis, but there is puzzlement and some anger on both sides.

Russia's democratic promise and Mr. Yeltsin's leadership have come under a cloud. Historic forces are churning, and no one can say whether Russia will end up more a nasty mini-Soviet Union or a state stumbling toward liberal democracy. The outcome is far from being in President Clinton's hands. But he must demonstrate that, whatever happens in Moscow, he has a tight grip on the American interest.

That means dealing on major matters — nuclear safety, global political issues — with a country which, although greatly shrunk and difficult, remains unavoidable. It means staying alert to effective ways of strengthening Russian democracy and reform. At the same time, Mr. Clinton must be careful not to convey more confidence in Russia and in Mr. Yeltsin than the plainly visible facts justify.

— THE WASHINGTON POST

## A Flawed Welfare Bill

The U.S. House of Representatives this week has taken up a deeply flawed welfare reform bill. A sign of how many problems there are with this legislation is that more than 150 amendments have been proposed. Many come not from Democrats but from Republicans aware of the bill's shortcomings. Some are worth passing, but they will not cure what ails this legislation. "Nothing could be more cruel to children than the current welfare system," said Majority Leader Richard Arayne, Republican of Texas. That is not true. This bill would make it worse.

The sponsors have used appealing arguments for decentralization and experimentation as rationales for ending welfare's "entitlement" status and turning it into a "block grant" program to be run by the states. "Entitlement" is a loaded word, but also a technical one. Because Aid to Families with Dependent Children is an entitlement, all who meet certain basic requirements can apply. Applications go up when states fall on hard economic times and drop back during recoveries. Money flows to states when they need it most. Ending welfare's entitlement status means that the program would be far less flexible and less responsive to changing economic circumstances. The bill's "rainy day fund" does not begin to make up for this loss in suppleness. States should be encouraged to experiment with better approaches to welfare, but you don't need block grants to let those experiments go forward.

The bill also presumes that a better welfare system can be built with far less money. It would be nice if that were true, but it isn't. It is good policy to move to a system that would promote work and require it of those capable of holding a job. But that means the government would have to provide money for training, education, child care and ultimately jobs, whether in the public

sector or through subsidies to employers. This proposal, on the other hand, would reduce spending on the poor by at least \$66 billion over a five-year period. Some of these cuts come from unwise changes in the child nutrition and food stamp programs. Both these programs work quite well. Some trims might be in order, but nothing like those now being proposed.

Opponents of abortion have rightly led the charge against a provision in the bill that would simply bar children of mothers under 18 from getting any assistance. Whatever one's view on abortion, it does not make sense to ask a child to bear the cost of a parent's mistake. Another amendment would provide for some more spending on child care. It is a good idea, but not enough to make the work requirements in this bill plausible.

Members of Congress should improve this legislation, if only to keep as many bad ideas out of it as possible. But ultimately it should be defeated and rewritten.

— THE WASHINGTON POST

## Other Comment

### Nostalgia for the Welfare State

The voters of Finland have just returned the Social Democrats to power after eight years of conservative government, indicating a popular nostalgia for the welfare state. But whereas 30 years ago the Social Democrats could win majorities or at least dominate their coalition governments, nowadays only minority left or center-left coalitions are possible, which means that the old-style socialist policies of yore are now out of the question. In the 1990s there is no alternative to neoliberalism and austerity. The Social Democrats will not be able to rebuild the welfare state, but at most will merely slow down its demise.

— Neue Zürcher Zeitung (Zurich)

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## Talking Back, the Syrian Discusses His Neighborhood

By Thomas L. Friedman

In a column on this page on Monday, the writer imagined Warren Christopher addressing Hafez Assad. In this sequel he imagines President Assad replying.

WASHINGTON — "Chris — you don't mind if I call you Chris? I hope you're comfortable in that overstuffed chair. I've had many secretaries of state sink in them before you."

"Kissinger liked to tell me about his dates with Jill St. John. Baker was always snapping his notebook shut and telling me if I didn't accept his terms he would leave Damascus and never come back. Ahhh, but they always come back, don't they, Chris? And so will you. You've been here 11 times already, and you've been to Mexico once. I'm glad to see you have your priorities right."

"Now Chris, you told me a lot about the world outside Syria. But let me tell you about my neighborhood. Politics and passion may have yielded to the bond market in America, but not in the alleyways of Damascus. Here tribal bonds, not investment bonds, still rule the day. Here the iron fist of the ruling tribe, not the hidden hand of the marketplace, dominates politics."

"But Chris, because I'm a minority, my standing at home also depends on my role abroad. The only way I can justify ruling Syria as a minority is if I pretend that I'm not a minority — that I am part of a wider Arab nation. That is why I must always project myself as leader of the Arab world."

"You think my choice is between joining the Western camp — with its bond markets — and joining the Muslim fundamentalists. You're wrong. My choice is between Arab nationalism and Muslim fundamentalism. I will make peace with the Jews only in a way that establishes me

as the one Arab leader who knows how to make peace with dignity — who does not grovel the way those lackeys Arafat and Sadat did. They thought they had to choose between the West and Islam, so they chose the West. Sadat paid with his life. So will Arafat. Not me."

"Rabin wants to be another Menachem Begin and swap land for peace with me as Begin did with Egypt. But I won't be another Sadat. I intend to be better than Sadat. I intend to give the Israelis less and get more."

"That is the only way I can protect myself from my own fundamentalists and domestic opponents and maintain the Arab leadership status that will always bring Syria money from someone."

"So Chris, if you want to forge a deal between me and Rabin over the Golan, you'll have to pay for it in my currency. It's not going to fall in your lap."

"But Chris, I'm worried. As I have watched the parade of secretaries of state sitting in that chair I have not only seen the end of the Cold War, but the end of America as a superpower. You come here with empty pockets. I would be better off negotiating with Merrill Lynch."

"You also come here not willing to

impose any restraint on the Israelis, because your administration is so weak politically you are afraid of offending even one Jewish voter. Look at Rabin. He's still building settlements like crazy in the West Bank and you haven't uttered a peep."

"Chris, one thing a Syrian president learns to smell is weakness and I smell it all over you. As long as you allow Israel to act according to its appetite, not its real interests, I will never trust you."

"Kissinger, Carter and Baker understood that a statesman can be popular or he can be effective, but in the Middle East he can't be both."

"The Israelis loved George Shultz so much they planted a forest in his name while he was still secretary of state. But he produced nothing. Kissinger hasn't gotten even a tree in his name; Baker will be lucky to get a cactus. Yet they both produced a lot out here."

"So Chris, you can have your forest now or you can have it later. Make up your mind. Until then, stay out of my life."

"And Chris, here's your phone back; I won't be needing it. By the way, be careful when you press the SEND button. You never know what might happen."

The New York Times

## Look Again, Israelis and Syrians May Be Getting Somewhere

By Shai Feldman

WASHINGTON — Israeli-Syrian talks resumed this week in Washington. It is important to note the recent evolution as well as the unprecedented nature of these discussions.

During Secretary of State Warren Christopher's visit to the region last week, it became evident that these negotiations are increasingly focused on the security arrangements to follow Israel's withdrawal from the Golan Heights. This seems to indicate that the parties are closer to an overall agreement than most observers believe.

For agreement to be reached, the two parties must resolve four sets of issues: Israel's commitment to withdrawal within, or from, the Golan Heights; Syria's agreement to "normal" relations with Israel; security arrangements with Israel; security arrangements as demilitarized zones, limited-forces zones, early warning facilities and the stationing of peacekeeping forces; and a timetable of withdrawal, normalization and security arrangements.

Of these issues, Israel's commitment to withdraw from the Golan Heights and Syria's willingness to establish normal relations are the thorniest.

Syria's position on Israeli withdrawal is clear: that Israel must withdraw to the 1967 borders, returning every square inch of the Golan Heights.

For more than 25 years, Israel has been led to regard control over the Golan Heights as essential to the security of the towns and villages in the northern part of their country. Therefore, Prime Minister Yitzhak Rabin has been reluctant to make the concession required by agreeing to withdraw to the pre-1967 frontier. He restricts his public statements on this matter to pledges that "the depth of Israel's withdrawal will be determined by the depth of peace."

For Israel, the term "peace" implies the free flow of people, goods and services between countries. In their view, this type of peace has a security dimension as well. This is because any interruption of such relations would provide early warning of an escalating crisis, thus diminishing the danger of surprise attack.

More generally, Israel regards a "people-to-people" peace as less reversible and hence more stable than a government-to-

government commitment to refrain from war.

But for Syria's president, Hafez Assad, such "normalization" is as sensitive as withdrawal is to Mr. Rabin. The reason for this is that the degree of transparency entailed is inconsistent with the nature of Mr. Assad's regime. He is terrified by what can be called a "Ceausescu syndrome" — the fear that, as Romania's recent history illustrates, openness can lead very quickly to a repressive regime's demise.

So Mr. Assad has been reluctant to specify the extent of normalization that Syria would provide in exchange for Israel's complete withdrawal. Instead he restricts his public expressions regarding this issue by pledging "full peace for full withdrawal."

As a consequence of this double taboo, Israeli-Syrian discussions have increasingly centered on the security arrangements to be implemented in the Golan Heights after Israel's withdrawal.

The normal pattern for such negotiations calls for first resolving the central issues in dispute, in hope that other matters will later sort themselves out.

But Israeli-Syrian talks are increasingly focused on the secondary question — the shape and character of Golan security — as if the two central issues of withdrawal and normalization had already been resolved.

The explanation for the unusual nature of these talks may have two complementary parts. First, while inhibited from expressing agreement regarding withdrawal and normalization, both Mr. Rabin and Mr. Assad have become persuaded that a Syrian-Israeli accord will not be reached unless each accepts the other's central demand.

Mr. Rabin may now appreciate that Syria will not entertain peace except in exchange for Israel's complete withdrawal from the Golan Heights. And Mr. Assad may now understand that Mr. Rabin would not be able to promise withdrawal except in exchange for a Syrian pledge to normalize relations.

At the same time, Mr. Rabin may have accepted that normalization is inherently more fragile and reversible than withdrawal, and that, due to implications of normalization for the survival of Mr. Assad's regime, Syria will, in any case, renege on whatever commitments it may make regarding this issue.

The United States should be compensated constructively with Libya and Iran, especially when U.S. refusal to respond to their gestures turns them to competitive American allies in Europe and Asia.

There seems little doubt that, Iraq aside, U.S. inability to convince allies to go along in imposing sanctions hinders the United States. Washington should pick its boycott targets carefully and weigh the consequences of having too many at once.

If America is so willing to use the oil weapon now, it should not be surprised if once again the weapon is used against the world's largest oil importer, with an unquenchable thirst for even more.

The writer, a visiting fellow at the Washington Institute for Near East Policy, is on leave from Tel Aviv University's Jaffee Center for Strategic Studies. He contributed this comment to the International Herald Tribune.

## Oil Is a Weapon That Americans, Too, Should Be Reluctant to Use

By Edward L. Morse

be renegades can work whenever one of them runs afoul of America's interests. But oil sanctions should be used sparingly and with restraint.

In the case of Iraq, the arguments for an embargo were overwhelming after the invasion of Kuwait, especially since grabbing Kuwait's petroleum wealth was one of Saddam Hussein's key motives.

The boycott hurts Iraq more than any other conceivable action against it. But what have the sanctions against Libya and Iran achieved? When there is no hope of an international consensus for an embargo, the main victims of sanctions are U.S. businesses, not the embargoed nations.

Conoco, Occidental and other American firms have lost their assets in Libya because of U.S. sanctions, only to find such rivals as Italy's Agip, Spain's Repsol and

Germany's Wintershall filling the vacuum left to them by Washington's prohibitions. The same will be true in Iran when the Conoco contract is signed by a rival.

By imposing sanctions, Washington loses a major opportunity to engage the embattled country in talks that might play not only to America's long-term advantage but only to buttress U.S. foreign policy goals.

After its revolution in 1979, Iran nationalized foreign oil companies. Today, for want of capital, technology and trained personnel, Tehran is opening the doors wide to the re-entry of foreign companies.

Neighborhood

ting Somewhere

Reluctant to be

Did They Know It?

## Beneath the Dignity Of a U.S. President

By Edwin M. Yoder Jr.

**WASHINGTON** — The Irish Republican Army and its political front, Sinn Fein, have campaigned for a quarter of a century to persuade Americans that Northern Ireland is not an integral part of the United Kingdom but an occupied territory, oppressed by the British army.

That mendacious campaign gained no real headway until the Clinton White House, for reasons as yet unclear, volunteered its help.

President Bill Clinton has now doubled his bet as the most noteworthy trans-Atlantic patron of the IRA-Sinn Fein cause. He welcomed Gerry Adams, the Sinn Fein leader, to a St. Patrick's Day fete at the White House last week and even permitted Mr. Adams to pass the hat to American contributors.

This reversal of policy effectively cancels an effort of many

If Mr. Adams is merely a front man, what is the point of lionizing him at the White House and making him the focus of intervention in Britain's internal affairs?

years by responsible Irish-Americans — notably the late speaker of the House, Thomas O'Neill — to shut down the flow of American money to IRA terrorism.

Mr. Adams disclaims complicity in terrorism. He and his organization, and the IRA, are waging a peace campaign reminiscent of the peace campaigns that periodically interrupted the normal hostilities of the Cold War. The British government, which is conducting low-level negotiations with Sinn Fein, now at a delicate stage, insists that the IRA must disarm. Mr. Adams claims to have no control over the IRA's huge illegal arsenal.

That may be so. But if he is a front man merely, what is the point of lionizing him at the White House and on Capitol Hill and making him the focus of a mendacious U.S. intervention in the internal affairs of Britain?

Mr. Adams's hands may be as spotless of innocent blood as he claims. But he is the acknowledged political liaison and spokesman of terrorists not liable for their blood lust.

Lest it be forgotten, IRA terrorism in the past has not been limited to the killing of innocent civilians and of British soldiers in unwelcome garrison duty in Ulster, which is atrocious enough. They murdered

Washington Post Writers Group.

On May 8th, the IHT will publish a Special Report on

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## OPINION/LETTERS



By KAL for The Economic Journal & Observer

## Remember, It's About Dreams

By Tom Clancy

BALTIMORE — My dad died two weeks ago. He had his first stroke in November 1993. It was followed by others, and the final event was more a liberation than a loss. Except for one thing: I never got to take my dad to a baseball game.

Oh, I took me often enough.

I well remember the April day in 1954 when the Baltimore

### MEANWHILE

Orioles — formerly the St. Louis Browns — paraded down Charles Street while sitting on the back decks of convertibles and tossing out plastic balls. My mom threw them away.

I guess he found part of that dream in coaching kids. Surely he never found it in me. A nerd before the status was dignified by a title, I was pretty fair with a glove but hopeless with a bat.

Dad was a good coach for kids. He never yelled at them — a little emphasis, perhaps, but he never screamed or brawled because you need a good reason to yell at a kid and drop a baseball isn't one of them.

For my father, baseball was just one of those pleasant things in life, a game to be enjoyed for its inherent beauty.

Almost two years ago, Peter Angelos and I and a few friends bought a team: the same Orioles who arrived when I was in first grade. But by the time we started our first season, Dad had suffered several strokes, and I never had the chance even to wheel him into my box. I'll re-

gret that to my last breath.

But there is more missing than that. There is some sort of unwritten covenant between those who come and play and those who come and watch, and that covenant has been broken.

Like most important things, baseball is something of the mind. It's a dream. If baseball is a thing of the mind, it would be well to remember that minds can change. If baseball is a dream, then let us reflect that dreams can become nightmares from which people awaken and flee.

Baseball does not exist in a vacuum. It serves the fans, and somehow the fans have been forgotten. We need them more than they need us. The fans expect to see their heroes play it and to see common sense break out after months of divisive nonsense. It's their money that supports all of us.

I cannot help but think that fate denied me a chance to take Dad to a game. It is well to remember that there are many more dads and many more sons who have the same wish, and it is not our place as owners or as players to deny dreams to others.

Baseball is probably the most tactically intricate of team sports because it depends upon a vast set of interlocking variables.

Baseball may also be the last place where we can find real sportsmanship. The other team can make a good play, win the game and still the fans will show some appreciation.

And without the people who show that appreciation, the people who buy the tickets and eat the hot dogs, the people who bring their sons to demonstrate how the game is played, the owners and players are nothing.

Because I am a part owner of a team, people speculate on my feelings about the strike, but what it comes down to is simple. Fans may come to support their home team, or to see some special players of another team, but they really come to see the game, and if they stop coming both owners and players will have to find other things to do.

The writer, whose most recent novel is "Debt of Honor," contributed this comment to The New York Times.

## LETTERS TO THE EDITOR

### Apology Is in Order

matter she represents the opinion of the Japanese public.

This is upsetting to those of us who are not of the wartime generation and do not share her opinion.

J. K. IWASAKI  
London.

### Iraq and the Sanctions

International pressure is building to lift the United Nations sanctions against Iraq by year's end. An Iraqi capability for biological warfare was specifically addressed as inappropriate in the sanctions, and verifying the lack of such a capability is, according to Rolf Ekeus, the UN commissioner in charge of inspections, the

remaining impediment to their removal.

Lobbying on Iraq's behalf extends well beyond its borders. Russia, France, the United Arab Emirates and Jordan have rallied to the cause.

Russia was permitted a leadership role in writing last summer's UN biological warfare report, essentially stating that Iraq then lacked a biological warfare capability. Hard evidence suggests, to the contrary, a continuing Iraqi capability.

Evidently, the yardstick used by UN inspectors was the absence of evidence that stringent American standards were used in the handling of biological materials in Iraq. The issue may be finessed in the final report of the United Nations.

In that case, Iraq will continue to pose an unacceptable threat to the region. Further,

biologicals are eminently exportable. They are extremely stealthy, difficult to link to source and unpredictable when used.

All necessary preparatory measures anticipating the tactical or strategic release of these weapons must be taken, augmenting as rapidly as possible the considerable medical capability now available in the Middle East and including a continuing Iraqi capability.

Evidently, the yardstick used by UN inspectors was the absence of evidence that stringent American standards were used in the handling of biological materials in Iraq. The issue may be finessed in the final report of the United Nations.

WILSON F. ENGEL 3d  
Newport News, Virginia.

### A Guest of Clinton's

The leaderless and unprincipled civilized world sinks ever

deeper into the morass of double standards. Now, although he refuses to meet the Dalai Lama, the spiritual leader of the world's most oppressed nation, President Bill Clinton gives red carpet treatment to Gerry Adams, a man with close connections to a band of murderous thugs. And the European Union, while doing nothing about the even more thuggish behavior of China and Serbia, reacts to Canada's attempts to protect its fishing industry with unparalleled viciousness.

Then again, it's not really a question of double standards.

There just aren't any standards left at all.

NORMAN SANDERS  
Drammen, Norway.

## ANNOUNCEMENT

The Government of India announces the Joint Venture Exploration Programme for oil and natural gas. Companies are invited to bid for the exploration blocks on offer. A total of 28 blocks are on offer (23 of these blocks are under license to ONGC and 5 to OIL), with 18 of them being onshore and 10 offshore. Companies may bid for one or more blocks, singly or in association with other companies. The successful company/ consortium would form an unincorporated Joint Venture with ONGC or OIL.

## CONTRACT FEATURES

Production-sharing contracts would be entered into by the Joint Venture with the Government of India. Attractive terms are offered under these contracts, including:

- ◆ Sharing of risk by ONGC/OIL in the Joint Venture from the date of signing of the Contract with participating interest of between 25% and 40%.
- ◆ The possibility of a seismic option in the first phase of the exploration period.
- ◆ No minimum expenditure commitment during the exploration period.
- ◆ No signature or production bonus.
- ◆ No royalty/cess payment.
- ◆ Progressive fiscal regime with sharing of profit petroleum being tied to the post-tax profitability of the Joint Venture.
- ◆ No ring fencing of blocks for corporate tax purposes.
- ◆ Freedom to Joint Venture for marketing gas.
- ◆ Purchase of the Joint Venture's share of oil at international price.
- ◆ Provision for assignment.
- ◆ Provision for international arbitration.

## BID ITEMS

Companies would be required to bid for:

- ◆ Percentage participating interest proposed to be held by the company/ companies in each block;
- ◆ Total length of exploration period, number of phases in exploration period and minimum work commitment in each of the phases;
- ◆ Profit petroleum shares expected by the Joint Venture at various levels of rate of return or multiples of investment recovered;
- ◆ Percentage of annual production expected to be allocated towards cost recovery.

## INFORMATION AVAILABILITY

A brochure giving details of the blocks offered, their geographical location on a map of India and the contract terms will be made available free of cost to companies.

To enable companies to assess the geological prospects of the blocks on offer, information dockets and data packages are available on sale. Separate information dockets on each basin are available, containing information on regional and local geology and the current status of exploratory activities in the blocks in each basin. The data packages contain seismic sections, gravity and magnetic anomaly maps, wellline logs and structure contour maps etc. and have been prepared for most of the blocks. A bid format indicating the information that would need to be provided while submitting the bid will also be made available free of cost to interested companies.

Companies interested in inspection and purchase of information dockets and data packages and in obtaining the bid format as also further details may contact:

Mr. R.N. Desai  
Head, EXCOM Group  
Oil and Natural Gas Corporation Ltd.  
Upper Ground Floor, GAIL Building  
16 Bhikaji Cama Place, New Delhi-110066 (INDIA)  
Telephone : (91-11) 602703/502351/5888405  
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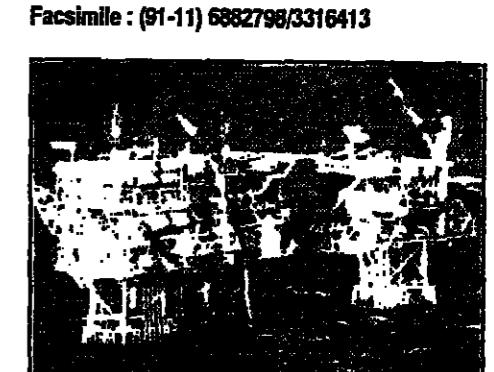
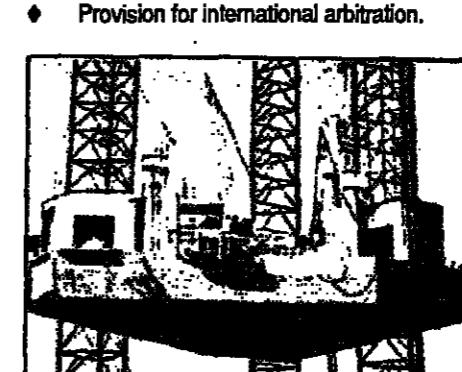
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## INTERNATIONAL

## Belgian Minister Resigns in Scandal

### Foreign Chief's Action Puts New Pressure on NATO Chief

Compiled by Our Staff From Dispatches

BRUSSELS - Foreign Minister Frank Vandenbroucke of Belgium resigned Wednesday, after admitting he knew about a secret fund held by his party in the 1980s and early 1990s.

A statement from the royal palace said King Albert had accepted the resignation of Mr. Vandenbroucke, who was also deputy prime minister.

The resignation seemed likely to increase pressure on the NATO secretary-general, Willy Claes, who was economics minister and a high official in Mr. Vandenbroucke's Flemish Socialist Party, to say he knew nothing about it.

Mr. Claes has consistently denied having any knowledge of corruption and he has been consistently backed by NATO ambassadors.

Mr. Vandenbroucke, 38, became foreign minister last year, succeeding Mr. Claes.

Etienne Mange, who was the party's treasurer in 1991, is in custody in connection with charges the Flemish Socialist Party pocketed kickbacks from firms that won contracts for Belgium's armed forces in the late 1980s.

Mr. Vandenbroucke admitted last month that Mr. Mange had informed him, Mr. Claes and Louis Tobback, then interior minister, in January 1989 of Agusta's cash offer weeks after the group had won the \$225-million helicopter contract.

He said party officials, un-

Continued from Page 1

ence on the information superhighway.

"The commission has missed a historic opportunity to take a bold step toward a more open system that would benefit the European audiovisual industry," said Stuart Eizenstat, the U.S. ambassador to the union.

European commercial broadcasters and advertisers also have lobbied against quotas, although most filmmakers have campaigned to get them strengthened.

Wednesday's decision revealed surprisingly strong support for quotas within the commission, which approved the proposal by a vote of 13 to 4. The plan also has considerable support in the European Parliament, which must approve any legislation in tandem with EU ministers.

Mr. Oreja said the commission needed

to revise the current television directive, adopted in 1989, because the condition that quotas applied "where practicable" created great legal uncertainty. Britain has taken advantage of that phrase to license such broadcasters as Ted Turner's TNT and Rupert Murdoch's BSkyB, whose satellite programs to the Continent have angered France and Belgium.

Sir Leon Brittan, the trade commissioner, urged that the loophole be retained, but was supported by only six colleagues, sources at the commission said.

Several compromises proved critical to winning support in the commission, they added.

Mr. Oreja agreed to exclude future services like video-on-demand from the proposal at the behest of Martin Bangemann, the commissioner for industry, who feared

that quotas would deter the investment needed to develop those services.

Mr. Oreja also agreed that the quotas would expire after 10 years, a nod to those who feared that protection might become permanent.

And France's two commissioners, Yves-Thibault de Silguy and Mrs. Cresson, dropped their demand that quotas be tightened further by restricting the type of productions covered. Paris has pushed for quotas to be applied only to fiction and documentaries, to prevent television stations from airing local talk and game shows while buying American drama series.

In addition, the proposal would allow movie channels and other so-called thematic stations to ignore the broadcast quota if they put 25 percent of their programming budgets into European productions.

Belgium had no laws regulating financing of political parties.

In 1992, Belgium passed a law, co-written by Mr. Vandenbroucke, to govern party fund raising.

Asked why he did not report the safe-deposit box to the judi-

cary, he said, "I did not want to start an inquiry into the past of the Socialist Party."

"I do not know how the money was obtained nor do I know how much money was in the deposit box," he said.

(Reuters, AP, AFP)



Foreign Minister Vandenbroucke fielding reporters' questions Wednesday on the fund.

### TV: In About-Face, European Commission Votes to Protect TV Production

Continued from Page 1

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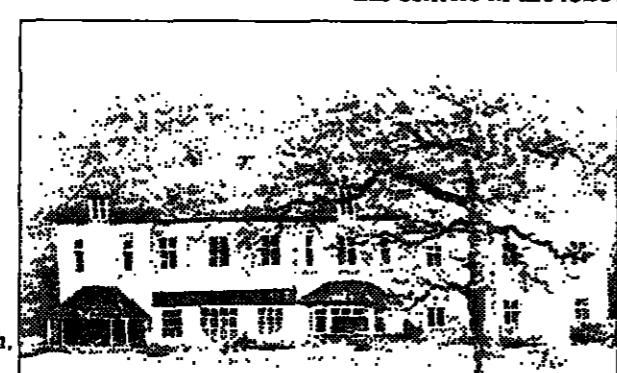
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1 CEDAR PLANTATION, Metter, Georgia, U.S.A. English.

2 PSANTIC LANGUAGE CENTRE, Killiney, Ireland. English.

3 CHATEAU CERAN & CHATEAU DU HAUT-NEUBOIS, Spa, Belgium. French, English, Dutch, Spanish, German, Italian and Japanese.



4 Ceran Junior, Ferrières, Belgium.

#### RULES & REGULATIONS:

- This prize does not include transportation.
- Prize valid until December 15, 1995.
- Entries will not be accepted from staff and families of the IHT newspaper, CERAN, its agents and subsidiaries.
- Valid only where legal. No purchase necessary.
- Maximum prize for one week is a course to a value of \$U.S. 1700.
- No correspondence will be entered into. Proof of postage will not be accepted as proof of receipt.
- No cash alternative to prizes.
- Winners will be drawn on April 14th and published thereafter in the newspaper.
- On all matters, the editor's decision is final.
- The editor reserves the right in his absolute discretion to disqualify any entry, competitor or nominee, or to waive any rules in the event of circumstances outside our control arising which, in his opinion, make it desirable to cancel the competition at any stage.

#### YOUR RESPONSE:

**Clue 4:** Apart from German, French and Italian, what is the other official language of Switzerland?  
(Circle the correct answer: A. Romansch B. Swedish C. English)

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### Saddam's Son Said Wounded

The Associated Press

AMMAN, Jordan —

The eldest son of Saddam Hussein, the Iraqi leader, was being treated Wednesday in a hospital here for gunshot wounds he reportedly suffered in an assassination attempt last week.

Sources said Uday Hussein, 31, underwent surgery Monday at the King Hussein Medical Center, and that he was in the hospital's intensive care unit.

Two Iraqis who generally have reliable information on Mr. Saddam's family said Uday Hussein had been shot in the neck and the abdomen.

Last Thursday, Kurdish rebels said Uday Hussein was wounded in a Baghdad shooting, and there were reports of unrest and military moves across Iraq.

The assassination attempt occurred between March 14 and 16, according to a radio station run by the Patriotic Union of Kurdistan, one of the main Kurdish factions opposed to Mr. Saddam. Uday Hussein apparently was shot by several gunmen in a Baghdad ambush. There was no confirmation of the attack by independent sources and Baghdad has made no official comment.

The Meteorological Agency said the tremor had a magnitude of 4.6 on the open-ended Richter scale. Its epicenter was located 50 kilometers (30 miles) beneath the earth's surface in Ibaraki Prefecture, northeast of Tokyo.

The public television station NHK said there was no danger of tidal waves. Bullet train services connecting Tokyo with northern Japan were halted for checks.

### Villagers Troubled by Sect

#### Strange Behavior Left Residents Fearful

By Paul Blustein

Washington Post Service

KAMIKUISHIKI, Japan — Shocked as he was, Katsuhiro Nozawa was not entirely surprised when the police raided buildings belonging to the Supreme Truth religious group near his dairy farm Wednesday and discovered, suspicious chemicals as well as several dozen severely malnourished people inside.

After all, Mr. Nozawa and his neighbors had experienced some disturbing run-ins with the sect ever since it began erecting facilities six years ago in this village of 1,800, nestled below Mount Fuji.

Shortly after they arrived, members of the Buddhist group made a practice of jotting down license plate numbers of village residents' cars, Mr. Nozawa recalled, and they also snapped photos of villagers who passed them in the street or who wandered close to their property.

Last July, after a couple of local residents became frightened by a strong odor apparently emanating from an oil facility, the sect would not allow the authorities to investigate. And in January, it cited a local fertilizer company, among others,

for "attempted murder," alleging that sect members were the target of poison gas sprayed by the U.S. and Japanese military by helicopters and airplanes.

For Mr. Nozawa, head of a 15-member "Supreme Truth" countermeasures committee that opposes the sect's activities, it is easy to imagine that such a group might have executed Monday's poison gas attacks on subway riders in Tokyo, even though evidence of the group's involvement appears to be purely circumstantial.

The police evidently share Mr. Nozawa's suspicion. Many of the investigators entering the sect's premises wore gas masks.

"I always thought that if they were really pushed into a corner — well, I thought they might do anything," said Mr. Nozawa, 69.

The sect, headed by a 40-year-old named Shoko Asahara, bought land and began building facilities in Kamikushiki in 1989 after leaving a town in southwestern Japan where it had repeatedly clashed with local residents.

Over the years the group has erected about two dozen buildings around the village, used mostly for training of new members. The construction, according

to Mr. Nozawa, was done by sect members themselves behind a three-meter (10-foot) wall. When locals caught glimpses of what was going on, "we saw these power shovels, digging very, very deep holes," Mr. Nozawa said. "We felt quite anxious, even fearful."

By mid-1990, Nozawa had seen enough to form the "countermeasures group." "They don't try to proselytize those of us who live here," Mr. Nozawa said. "For them, we are just lay people, people of the real world, while they consider themselves holy people."

The incident in which local people detected a strong odor coming from a sect building occurred two weeks after the June 27, 1994, mysterious deaths of seven people from poison gas inhalation in the central Japanese city of Matsumoto. The odor dissipated before police arrived, and the next day the cult refused entry to police and health department inspectors.

Then, on Jan. 1, 1995, a Japanese newspaper reported that byproducts of sasho, a deadly nerve gas that had killed the seven in Matsumoto, and which would later be used in the Tokyo subway attacks, had been found in Kamikushiki.

### POISON:

#### Raids on Cult

Continued from Page 1

saris outside the compound. The raids on the Aum Shinrikyo offices had been anticipated. Police arrived at the sites during the night several hours before the raids began. The 25 offices around Japan communicate by electronic mail, and Japanese newspapers said that the headquarters had sent an E-mail message at 1 A.M. warning that raids were imminent and ordering members not to fight the police.

The nominal reason for the raids was to search for evidence in the kidnapping of Kyoshi Kariya, a 68-year-old Tokyo man. Mr. Kariya's sister was a sect member who reportedly suffered from a brain tumor. As a condition of allowing her departure, she was ordered by the sect to donate a building she owned, according to Japanese media reports.

Mr. Kariya strongly objected to the proposed donation, and he was abducted.

The judge is due to issue his verdict on May 15, a week after the second round of the election for the French presidency, for which Mr. Tapie was once considered as a possible candidate.

The 52-year-old former minister of urban affairs, whose popular appeal won him nearly 12 percent of the vote in last year's European Parliament elections, also faces confirmation of a bankruptcy ruling on March 31, which will legally keep him out of French politics for the next five years.

Mr. Tapie was charged with offering \$120,000 to three players on the Valenciennes soccer team in May 1993 to go easy on the Olympique Marseille team, which he then owned. It was scheduled to play AC Milan six days later, and Mr. Tapie allegedly did not want his players to be tired or injured.

But one of the Valenciennes

### TAPIE: Sentencing Is Awaited

Continued from Page 1

players, Jacques Glassmann, reported the alleged bribe and some 240,000 francs found buried in a garden was later traced to one of his teammates, Christophe Robert.

The prosecution has asked for suspended prison sentences against Mr. Robert and his wife; against another former Valenciennes player, Jorge Buruchaga; against the Marseille player alleged to have handed over the money, Jean-Jacques Eydelie; and against the ex-director-general of Olympique Marseille, Jean-Pierre Bernier.

For nearly two years, Mr. Bernier had kept silent, saying that he feared the Tapie-dominated ministry in Marseilles. But during the trial, saying it was "time to tell the truth," he accused Mr. Tapie of organizing the bribe during a meeting aboard his yacht, the Phoenicia.

That four-masted floating palace, now tied up at an isolated dock in Marseilles, threatens further complications for the flamboyant politician. In a judgment handed down March 13 and reported on Wednesday, the Court of Appeal in Paris ruled that Mr. Tapie must face trial for the allegedly fraudulent operation of the yacht.

An investigating magistrate said Mr. Tapie registered the Phoenicia as a commercial vessel while using it only for pleasure cruises.

### V-J Day It Was, and It Still Is

Reuters

WASHINGTON — The White House on Wednesday denied reports that it was trying to change the name of Victory Over Japan Day ceremonies next September to avoid antagonizing Japan.

The official name of the commemoration, which is being planned for September, is the V-J Day, end of the war in the Pacific, end of World War II, the White House spokesman, Mike McCurry, said. "It's called V-J Day. That's what it is." He said the question of whether to refer to V-J Day may have originated in the U.S. Embassy in Japan and that it was possible the embassy avoided using the term.

### SONY: Dark Horse Gets President's Job, as Firm Sticks to Its New Pursuits

Continued from Page 1

considerable sentiment within Sony that the company needs an engineer at the helm and that the company's core technical strength had deteriorated under Mr. Ohga, a former opera singer who was hired by Sony after he criticized the quality of its tape recorders.

But Mr. Morio apparently was judged not to have the broad, international experience required to head a software business. His main qualification for president seems to be that he has served in many different positions at Sony and can thus understand the breadth of the company.

In any case, in a choice between returning to its technical roots and continuing to

plunge into new businesses, the new won out.

"I see it as a real confirmation that we're into the information, entertainment and public services for good," one Sony employee said. "The new course is not going to be set by guys that spent their whole career in the hardware business."

But there is little in Mr. Ide's résumé to suggest why he was deemed the ideal man to head a software business. His main qualification for president seems to be that he has served in many different positions at Sony and can thus understand the breadth of the company.

Mr. Ide speaks both English and

French. He spent nine years in Europe, served in the audio group, the video group, the computer division, advertising and public relations. He was one of the first of Sony's senior managers to use electronic mail, and he plays video games on the Play Station.

But company officials were unable to point out any particular big products with which Mr. Ide is identified, as Mr. Morio is with the 8mm camcorder. That made some analysts question the decision.

"It's not what you'd expect a major Japanese company to do, and I don't know why they have done it," said Peter Rawle, an independent electronics analyst in Tokyo.

### REACTOR: Vote on Finishing Slovak Plant Stirs Debate Across Europe

Continued from Page 1

make Mochovce a dubious risk for the bank, critics say.

But bank officials, armed with 1,000 pages of documents to press the case for Mochovce, counter that it is unrealistic to expect a financially pressed country like Slovakia to walk away from a venture that is 90 percent complete and, they say, the most cost-efficient option.

Bank officials balk at the notion that the vote on Mochovce will lay the groundwork for financing of other Soviet-designed plants. But it safety is the paramount concern, they

## HEALTH / SCIENCE

## Consciousness: How the Brain Turns Fragments Into Images

By Sandra Blakeslee  
New York Times Service

**N**EW YORK — For scientists who study the human brain, even its simplest act of perception is an event of astonishing intricacy. Consider this: It is a beautiful spring day and you are walking down a country lane, absorbed in thought. Birds are chirping, roses are in bloom and the sun feels warm on your face. Suddenly, you hear a dog bark and you switch your attention to seeing whether the animal means to bite.

Years of research have shown that the brain absorbs a scene like this by carving it into components and analyzing each chunk of information along separate pathways. As the eyes gaze at the rose, it is not the whole image of the rose that is transmitted to the brain. Instead, something very puzzling takes place. The nerve cells in the retina immediately break down the image into separate components, like its contours, textures and colors. As the ear hears birds chirping, separate cells respond to each frequency, while others compute the direction and intensity of the sound. Cells in the skin that respond to warmth channel their input to yet another part of the brain.

Each population of sensory cells, from the eye, ear, nose and skin, sends its information to its home area on the outer surface of the brain, a thin, deeply furrowed sheet of cells known as the cerebral cortex.

The sensations of one instant of a spring morning have thus become represented by millions of activated cells in many different regions of the cortex. That much is known. A still baffling question for scientists is, how does the brain bind these pieces of information into a single coherent image? The nature of the reassembly process, known as the binding problem, is intimately related to the age-old question of consciousness.

The first step to understanding, brain scientists say, is to realize that there is no Cinemascope screen in the brain where all the pieces come together. But if there is no screen, on what physical principle is consciousness organized? A growing number of scientists say the answer must lie in some form of timing. An image may be reconstructed from all cells that are firing in a particular rhythm at a particular instant.

Recent experiments have shown that precise timing codes are the brain's primary organizing principle, at least at the level of individual neurons, among specialized

groups of neurons and across different parts of the brain.

But exactly how the timing codes work is a matter of vigorous debate. "Cells do carry information by virtue of the fact that they are firing at the same time," said Dr. Nancy Kopell, a biologist at Brandeis University in Waltham, Massachusetts, who studies how creatures move. "But what this means for function is unclear."

Efforts to understand how the brain uses time are forging ahead, said Dr. Christof Koch, a neuroscientist at the California Institute of Technology in Pasadena who is a leading theorist on the nature of human consciousness. The challenge is to construct theories "firmly based on nerve cells, their firing properties and their anatomical connections," he said. "The brain may have evolved different binding solutions for different levels of organization."

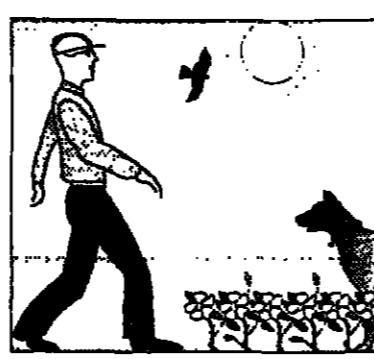
The search for timing codes gets more speculative at the level of cell populations, Dr. Koch said. The basic idea is that cells involved in forming a perception will fire simultaneously, thus binding together in time rather than space. Every perception would be based on the temporary activation of an ensemble of neurons, he said.

When a new perception is formed, the previous ensemble falls away and a new grouping of neurons fires, forming a new perception. Single neurons can participate in the representation of many things, depending on the assemblies they join in any one instant.

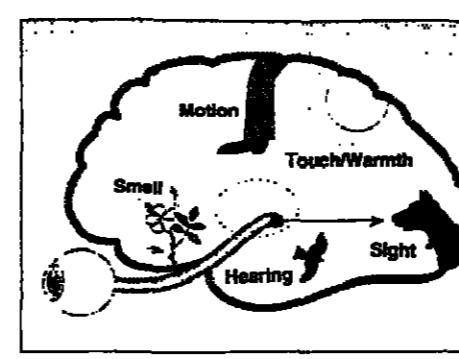
At the University of California at Davis, Dr. Charles Gray is recording the electrical activity of brain cells in different parts of the monkey visual system. There is a growing amount of evidence that cells fire in synchrony, he said. The problem is knowing if such synchrony is related to behavior — something no one has yet proved.

**A**ND even if cells fire synchronously, which cells are they? Is there something special about them? Dr. Gyorgy Buzsaki, a neuroscientist at Rutgers University in Newark, New Jersey, thinks there is. He has found that a class of cells called inhibitory interneurons have a tendency to fire in a wavelike pattern. From the way they are distributed in the brain, these neurons could perform a binding function, he said.

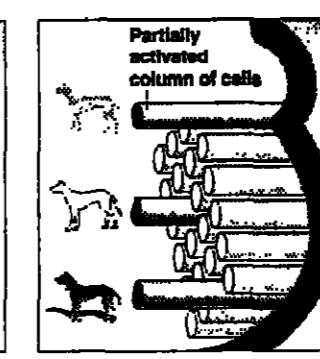
"You can compare it to traffic control in New York City," Dr. Buzsaki said. "Say you have an imaging device that looks at 5,000 vehicles — cars, trucks, taxis, bicycles — all moving together in chunks. You'd like to figure out how they interact to achieve this togetherness. One answer is traffic lights."



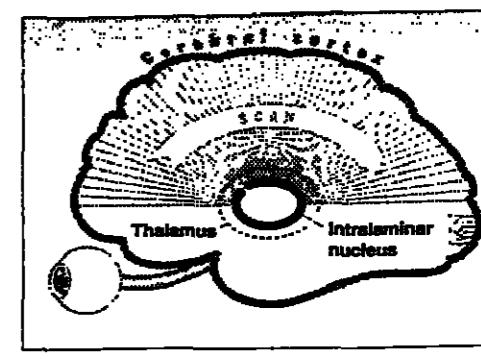
1 A springtime stroller is aware simultaneously of sights, sounds, smells, warmth on the skin, and the body's own motions. But the eye and other senses do not transmit whole images like a camera. Instead, the nerve cells of the retina respond to features like color, contrast, shape and motion. It is these fragmented pieces of information that are processed in parallel and passed to the brain.



2 The streams of sensory data go first to relay stations in a central brain structure called the thalamus, and then to the cerebral cortex, the thin, pleated layer of cells that covers the outer surface of the brain. Each sense has its own relay station and its own area of the cortex. At each moment the cortex contains groups of activated cells that register data from all the senses. But the data are spread out all across the cortex. How are they brought together in a single image? This is the central question known to brain scientists as the "binding problem."



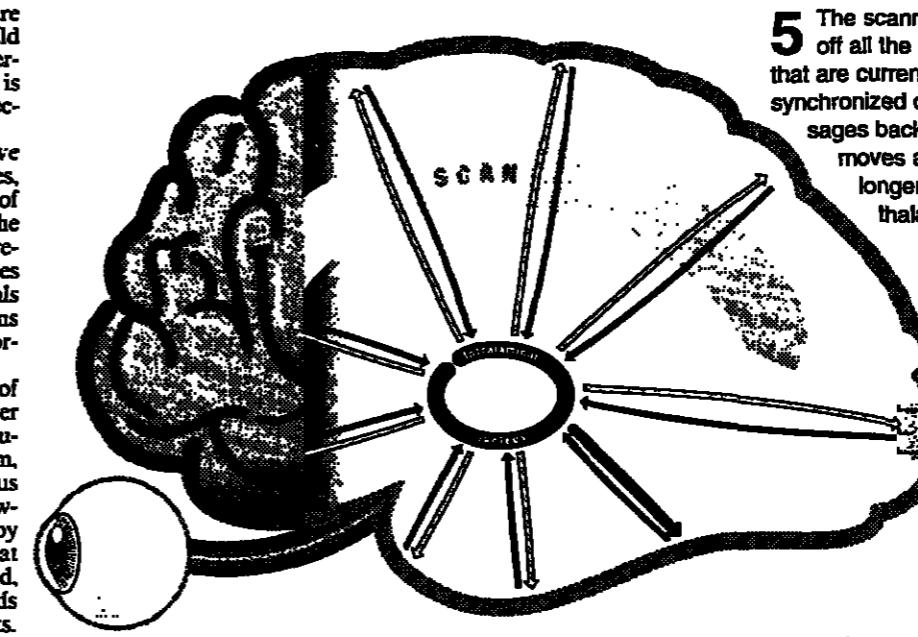
3 The cells in the visual cortex are organized in columns that do further processing of the visual information. Each column may correspond to one element in one part of the visual field, like the orientation of a line. The cells holding visual and other information are coordinated and synchronized by the thalamus into a similar rhythm of electrical activity.



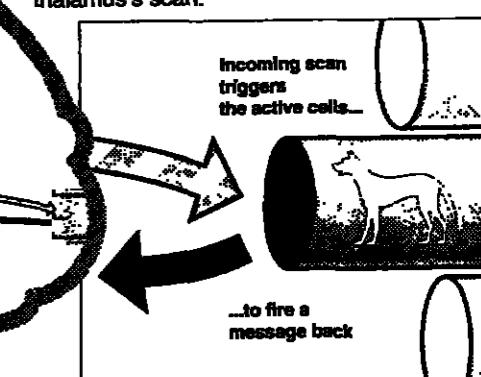
4 According to a theory of Dr. Rodolfo Llinás, the brain has a scanning system that sweeps across all areas of the cerebral cortex every 12.5 thousandths of a second. The scan takes the form of a wave of nerve impulses sent out from the thalamus, from a donut-shaped group of cells in the thalamus called the intralaminar nucleus.

Source: Dr. Rodolfo Llinás, Dr. Urs Birbaumer

Illustration by Nigel Holmes for The New York Times



5 The scanning mechanism, in each cycle, triggers off all the synchronized cells in the cerebral cortex that are currently recording sensory information. The synchronized cells then fire a coherent wave of messages back down to the thalamus. When the dog moves away, a given visual cortex cell is no longer active and does not respond to the thalamus's scan.



6 All the responses received by the thalamus within one cycle of its scan are perceived in a single image, a single moment of consciousness. The images are created so fast that they appear continuous. The data from all the body's senses are bound together not in place — there is no screen in the brain, and no observer to watch it — but in time, the time of the thalamus's scanning cycle. Consciousness, by this theory, is the dialogue between the thalamus and the cerebral cortex, as modulated by the senses.

## Scanning for Alzheimer's

New York Times Service

**N**EW YORK — A preliminary study has found that it may be possible to use brain scans to detect signs of mental deterioration in people who are developing Alzheimer's disease even though their symptoms will not become apparent for years.

The study, by Dr. Gary W. Small of the University of California at Los Angeles School of Medicine, Dr. Allen D. Ross of the Duke University School of Medicine and their colleagues, compared positron emission tomography, or PET, scans of the brains of 12 people at high risk of developing Alzheimer's disease with scans of 19 people whose risk was much lower. The subjects were in their 50s or older.

All had relatives with Alzheimer's disease and all had complained of mild memory problems. But those at high risk had inherited a gene, Apo-E4, that is associated with an increased risk of developing Alzheimer's disease.

The investigators report that the people with Apo-E4 genes, as a group, had brain changes that were suggestive of the more pronounced changes seen in patients with Alzheimer's. In particular, the parietal region of the outer layer of their brains, associated with such things as the ability to read a map or button clothing, was less active.

But the PET scan data from the patients at risk for Alzheimer's and those not at risk overlapped to such an extent that investigators could not de-

fine a cutoff point at which they could say that a particular scan was predictive of Alzheimer's.

They said that their results need to be confirmed in larger studies and that the patients need to be followed to determine whether those whose brain scans were troubling actually developed Alzheimer's disease.

A paper describing the results was published Wednesday in *The Journal of the American Medical Association*.

"It's unlikely that any new treatment will reverse brain damage once it's there," Dr. Small said. "It's more likely that treatments will slow down or halt disease progress. So we want to target people with early disease."

Gina Kolata

success has been hard to quantify.

Although many patients have reported dramatic improvement in their symptoms, others have gone home apparently feeling fine, only to develop serious side effects over the next days. In many, the problem was caused by a brain hemorrhage after the operation, leading to paralysis or blindness.

So far, the information, both positive and negative, is mostly anecdotal. Dr. Mahlon DeLong of Emory University in Atlanta, who has performed the operation on more than 60 patients, said, "If I had the problem that many of these patients have I would consider a pallidotomy."

He added, "At the current time, this is probably the best thing we have for patients who have not responded to adequate trials of medication."

Although the U. S. Food and Drug Administration requires that drugs be proved safe and effective before they go into widespread use, there are no such requirements for surgery.

In many, the problem was caused by a brain hemorrhage after the operation, but hundreds of the operations have been performed, and many major medical centers contacted say they are now off.

A neurologist who is just beginning to do the surgery, Dr. Matthias Kurth, associate director of the movement disorders clinic at the Barrow Neurological Institute in Phoenix, Arizona, said his group had been getting two or three calls an hour from patients wanting the operation.

Dr. William Langston, a neurologist who is director of the Parkinson's

Institute in Sunnyvale, California, said:

"The intensity is quite hot. There is an air of almost hysteria, and I'm starting to see panic in the medical community. There's a feeling that if we don't get on board, we'll be left behind."

Doctors say the huge demand for the operation, which costs from \$20,000 to \$40,000, depending on where it is performed, is understandable. Parkinson's disease, a degenerative brain disease, afflicts at least 500,000 Americans and there is no good treatment.

Although drugs can at first alleviate the symptoms, they eventually lose their effectiveness. Inevitably, the disease progresses until patients are unable to move or even swallow.

## Surgery for Parkinson's Can Be Risky

By Gina Kolata  
New York Times Service

**N**EW YORK — A surgical treatment for Parkinson's disease has dramatically helped some patients with the debilitating disease, but, unknown to many desperate Parkinson's sufferers, the surgery has left others paralyzed, blind, demented or comatose.

The surgery is pallidotomy, destruction of minute areas of the brain that control movement. It is done in the hope of quelling the rigidity, the jerking motions and the freezing in place that plague people with Parkinson's.

Most medical experts believe that pallidotomies can help some patients, relieving symptoms instantly, if only temporarily. But the operation's

numbers of people who keep lost pounds of weight, and help those who cannot to accept themselves as they are."

The approach has gained indirect support from a report this month in *The New England Journal of Medicine* that described the metabolic adjustments that make substantial and lasting weight loss a losing battle for so many people.

"Obese people are stigmatized and discriminated against," said Dr. Thomas Cash, a psychologist at Old Dominion University in Richmond, Virginia. "We help them with the emotional costs of these prejudices." His book describing the program, "What Do You See When You Look in the Mirror," was published in January

by Bantam Books. "We say, do the healthy things — and one of those is to learn to accept your body in a world that does not," Dr. Cash said.

For the chronically overweight, the embarrassment, self-recrimination and obsession with their appearance "is an element of suffering in their lives that they can be freed from, whether or not they lose weight," said Dr. James C. Rosen, a psychologist at the University of Vermont, who reported results from the new therapy program in the journal *Behavior Therapy*.

People who are extremely overweight can experience such acute embarrassment

that they avoid socializing, or spend hours preoccupied with arranging their clothes in the mirror or weighing themselves, Dr. Rosen said.

The 51 women in the treatment program were, on average, 52 percent over their ideal weight. The least overweight was about 25 pounds (11 kilograms) over her ideal weight, and one woman weighed more than 400 pounds.

The program had no effect on their weight, nor was the purpose of the therapy to help them shed pounds. Instead, it focused on freeing them from self-reproach, endless rumination about their appearance and their reluctance to appear in public.

## BRIDGE

By Alan Truscott

**T**HE biggest change in tournament scheduling in the last decade has been the introduction of stratified events. Instead of dividing into master-groups according to master-points standing, the players play in one group but are scored by comparing players with their master-point peers.

A Flight C player with little experience can theoretically rank high among the experts in Flight A, but it hardly ever happens. It did, however, in the Sectional-Ins-Clubs tournament when Jill Lafe and Irene Frary were the Flight C winners. They were also second in Flight B and fourth in Flight A, a remarkable performance.

Lafer said South on the diagramed deal. Her bridge teacher had told her to bid aggressively, and she followed this advice and bid more by leapfrog to four hearts at her second turn.

The dummy was suitable and the contract had good prospects. A spade was led to the dummy, and East no doubt consid-

ered a shift to the club ace. But that would have helped the declarer if she had held a doubleton club king, so East played the diamond four.

The finesse lost to the king and East returned a diamond. Now, South was able to win the diamond ace, cash the king and ace of hearts and throw the club king on the diamond queen. West could take his trump whenever, but the contract was safe.

**NORTH**

♦ Q J 10 5

♦ A 8 7 6 4 2

WEST (D)

♦ J 9 8 8

♦ K 10 6 5 3 2

♦ Q A 3

♦ K

SOUTH

♦ K 10 8 5

♦ K 10 6 5 3 2

♦ Q A 3

♦ K

Neither side was vulnerable. The bidding:

West North East South

Pass Pass Pass 1 ♠

Pass Pass Pass 4 ♠

Pass Pass Pass Pass

West led the spade four.

The therapy is not meant to discourage people from trying to lose weight, nor to deny the very real increased health risks that added pounds bring. Instead it seeks to ease emotional suffering.

But, the results show, once overweight people get over the acute self-consciousness that keeps them, say, from exercising in public, they are often better able to keep to their fitness regime.

"About 95 percent of people who lose weight in university-based clinical weight-loss programs have gained it back five years later," said Dr. Kelly Brownell, director of the Yale Center for Eating and Weight Disorders. "There's a collision between biology and culture. For some people there are biological barriers to losing weight at all, while others aspire to unrealistically lean ideals."

While other studies have come up with somewhat more optimistic estimates of the

numbers of people who keep lost pounds of weight, and help those who cannot to accept themselves as they are."

The approach has gained indirect support from a report this month in *The New England Journal of Medicine* that described the metabolic adjustments that make substantial and lasting weight loss a losing battle for so many people.

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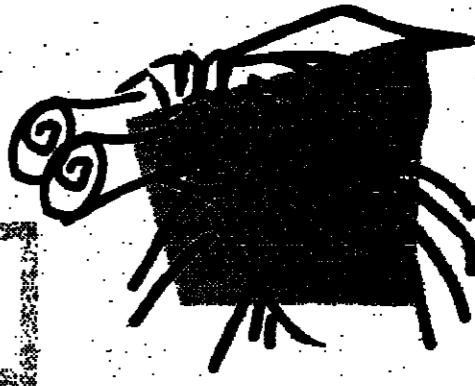
past. In modern Italy, the invasive rule of the Doges served as a model for the birth of fascism. Preservation proved at least as fatal to the city as modernization would have been. This failure constitutes the ironic heart of Pemble's thesis, as the artists who sought to salvage Venice ended up equal partners in its destruction. If "Venice Rediscovered" were a detective novel, the Venetophile artists would be the criminal masterminds. Their cult of the sublime acted on the city as embalming fluid.

The ravages of the Industrial Revolution made the cognoscenti aware of the built past as a precious resource, something to preserve from the destructive forces of history and safeguard for future

# Education Week

## BUSINESS EDUCATION IN THE NORDIC COUNTRIES

### SPAIN FRANCE GERMANY AUSTRIA NORDIC COUNTRIES THURSDAY



### STUDENTS FROM AROUND THE WORLD

An international outlook, English instruction and high quality are among the aces of a Nordic education.

The Nordic countries share some of the world's highest living standards, most sophisticated economies and a deep-rooted belief in the importance of education. These characteristics are partly the fruit of business and intellectual cultures that have long been based on internationalism and openness.

Business education in the region has profited from both currents, and the internationalization of study has enabled the region's institutions to cooperate worldwide.

Under the European Union's Erasmus program or through bilateral exchange agreements, thousands of foreign students have come each year to the Nordic region to study. With complete master of business administration (MBA), master of science (MSc) and similar programs now being taught fully in English, the area's universities and business schools are competing for students on the world stage.

The level of interest in studying in the Nordic area is perhaps best illustrated by the case of Finland. According to figures from Finland's Center for International Mobility (CIMO), around 400 exchange students from Europe went to Finland in 1993-94. In 1994-95, the figure is expected to rise to 2,000. This increase reflects not only Finland's political moves toward Western Europe, but also a growing awareness that in many fields, the Nordic area can boast some of Europe's most respected academic institutions.

Bodø Graduate School of Business in northern Norway has worked hard at establishing international cooperation and exchange programs throughout Europe, taking in students from France, Spain, Britain, Germany and other countries. Its links with neighboring Russia are also well-developed, with students from Murmansk State Maritime Academy and St. Petersburg State University studying at Bodø. As

part of its MBA and MSc programs, the school offers a broad range of courses, including ecological economics, and innovation and entrepreneurship. The latter, which focuses on the way ideas can be developed into successful products or services, can also form part of a two-year advance graduate program at Bodø.

#### Access to multinationals

In Sweden, the Stockholm School of Economics now offers an MSc degree in international economics and business, taught entirely in English. In addition to a strong theoretical and analytical base, the course gives students the opportunity to study Swedish multinational corporations like ABB and Ericsson and to become involved with the European Institute for Japanese Studies, which is based at the SSE.

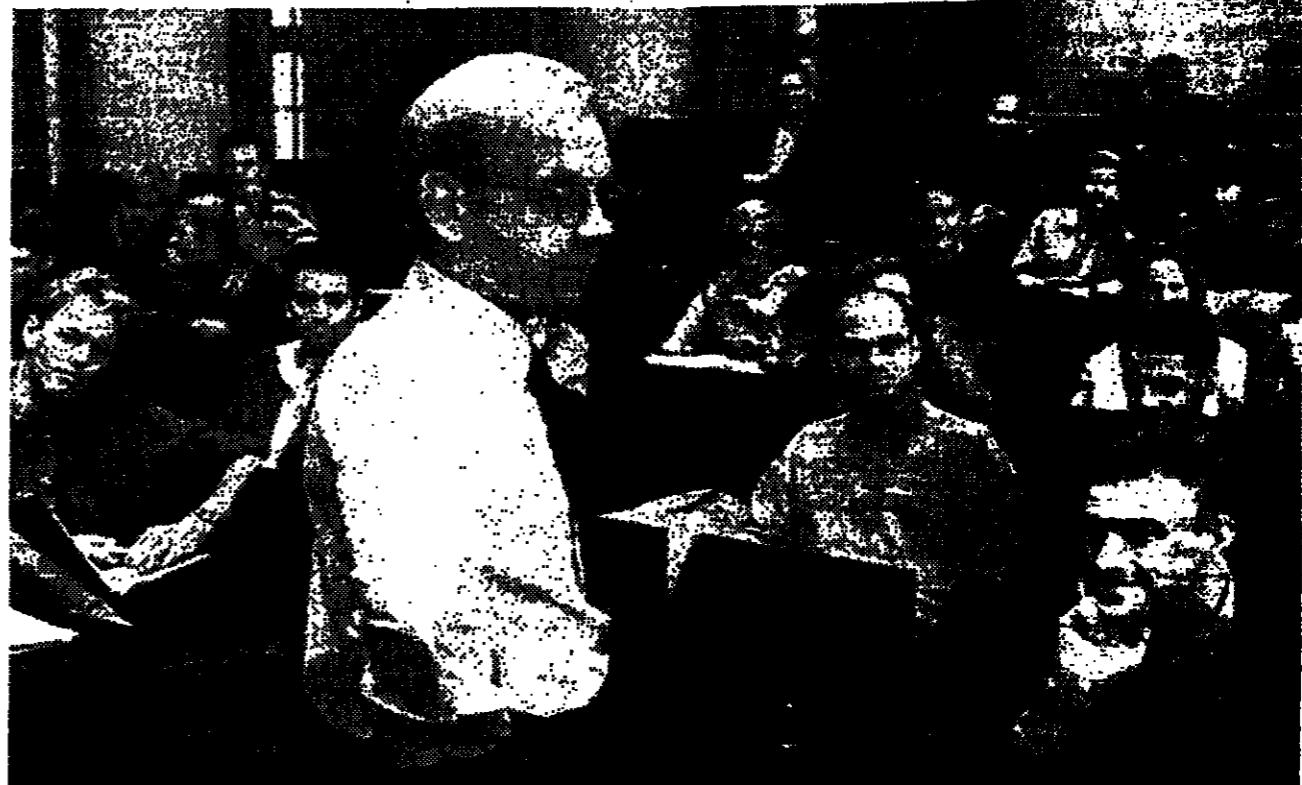
The SSE is a member of the Community of European Management Schools, an organization that groups together selected institutions across Europe. CEMS facilitates student exchanges and aims to create common standards by which international business can judge academic qualifications.

The Norwegian School of Economics and Business Administration is another member of CEMS. Based in Bergen on Norway's west coast, the school offers a broad range of subjects, with special courses in shipping, fishing, petroleum, energy and resource economics.

The Norwegian School of Economics and Business Administration has built up close links with the country's largest companies, such as Statoil and Norsk Hydro.

Links with business are a characteristic of education in the region. "What is particularly interesting for international students is that we have the main site for ABB here in Västervik," says Göran Huss, director of the Office for International Affairs at Mälardalens University in central Sweden. Even a medium-sized university like Mälardalens now offers international students a broad range of courses in English.

With Finland and Sweden joining Denmark in the European Union, there has been increased interest in how the EU functions. Sweden's historical Lund University offers a mas-



Courtesy of SSE

Business education in the Nordic countries profits from the region's openness and internationalism.

ter of European business administration degree, which concentrates on, among other things, the legal environment for business in the EU, international marketing and accounting.

At Denmark's Aarhus School of Business, there has been keen interest in how the smaller regions of the EU function.

The school has developed a management course in connection with institutions in Scotland, Portugal, the Netherlands and Ireland. Bo Gregersen, head of Aarhus's International Department, says that such links have shown how smaller regions often face similar problems and opportunities.

Aarhus has also attempted to develop courses that reflect the changing interests of students. New emphasis has been given to research on the "greening" of products and the use of technology for environmental purposes.

#### How to stay relevant

As with business itself, business courses must be constantly changed and updated to be relevant to modern markets.

In recent years, one field of business studies that has been keenly developed in the region focuses on service industries. Out of this has come what is known as the Nordic School of Service, management and marketing.

At Stockholm University, a special chair has been established to deal with this subject. "Most people are no longer engaged in manufacturing goods, and even manufactured goods have a large service component, such as their servicing, designing and selling," says Birgitta Wadell, assistant professor of management at Stockholm University. "With service industries, the customer is a coproducer of the product. In traditional models, the customer was seen as outside this structure."

From this point of view, a hairdresser and the customer having a haircut would be considered coproducers. The process of arriving at the end result is a joint effort involving interaction between the two during production. Such close communication with customers means that the point at which the company comes into contact with the client is vital. This, in the theory's terms, is "the moment of truth."

Stockholm University is not alone in further developing such theories. The Swedish School of Economics and Business Administration in Helsinki has its own Center for Relationship Marketing and Service Management, which specializes in looking at customer-relationship economics and profitability models.

In the well-integrated and flexible academic environment that exists in the Nordic area, the links between universities

and business schools enable new ideas to flourish. In Norway, for example, there has been a growing interest in business ethics, an issue that has been pursued by researchers at the University of Oslo.

This interest is often prompted by the business community itself, says Francis Sejersted, a professor at Oslo University. "Although the business community feels it has been trying hard to live up to moral standards, it is still attacked on moral grounds," he says. "Its members are left asking if they are in some way worse than other people."

#### Ambiguous morality

Mr. Sejersted tries to explain that the problem is rooted in a society that has several competing moral norms. The central paradox is that the different moral norms do not always sit happily together.

"Business society is based on furthering your interests, and it is legitimate to follow self-interest even if it causes damage to fellow humans," he says. In other words, to defeat competitors is a legitimate and indeed necessary part of business, but it does not always sit well with the moral norms prevailing in the rest of society. This creates moral tension.

Mr. Sejersted is not alone in his research. Other academics at the Norwegian School of Management (BI) are working in the field, attempting to bring it into the mainstream. BI also offers both MSc and MBA courses in English.

For managers already active in their companies, many courses in the Nordic area have been tailored to deal with participants' specific requirements.

The Swedish Institute for Management (IFL) was set up to serve the Swedish business community and the public sector with training for higher levels of management.

As Swedish companies spread abroad and international companies establish themselves in Sweden, the role of the institute has grown to involve training local managers in Swedish techniques, such as the flat organizational structures so often used in Scandinavian companies. Programs are now being carried out in China, South America, South Africa and the United States.

The institute's president, Anders Asplind, says IFL differs from other schools in its emphasis on participation. "We do not teach the kind of thing that participants should know already," he says. "We start with their own experiences."

This practical emphasis is again evident in the executive MBA offered by the Copenhagen International Management Institute (CIMI). Here, the participants devise a strategic business plan for their own company. In many ways, it means that a manager is able to act as a consultant for his own company.

According to Program Director Niels Arnfred, MBA applicants are judged as much on their potential, previous performances and the backing of their company as on formal academic qualifications. The background of a student might be as varied as primary school teaching or shipping. As Mr. Arnfred explains, participants with such experiences often prove better equipped than other senior managers.

Nicholas George

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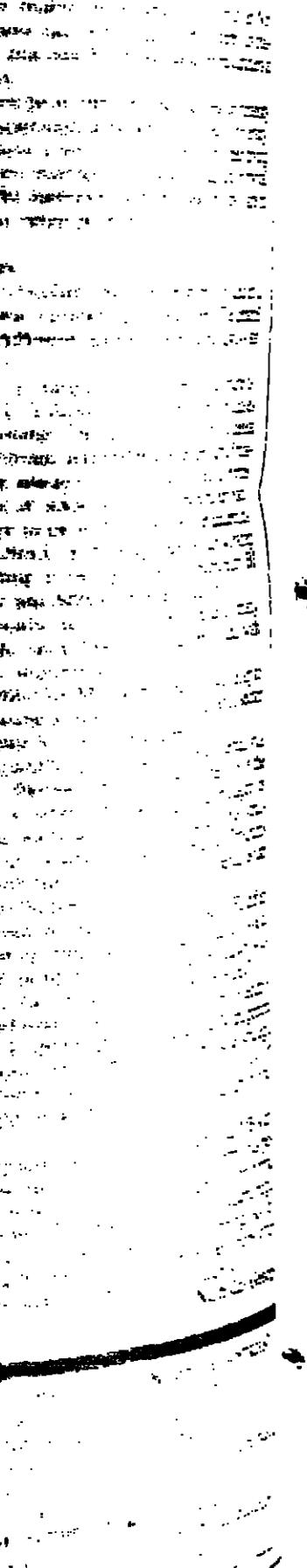
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Carl Tham: "We are concentrating on extending higher education."

## EQUALITY MEANS PROGRESS, SAYS SWEDISH MINISTER

Carl Tham, minister of education in the new Swedish Social Democratic government, has held several public posts, including director general of the National Energy Administration and director general of the Swedish International Development Authority. In this interview, he discusses moves toward sexual equality, increased language instruction and other issues in Swedish higher education.

The Swedish Social Democratic government has now been in power for almost half a year. What were your aims when you entered the Education Ministry, and how far have you come?

One of our chief aims is to improve the mobilization of education, by which I mean raising the standards of education of the labor force, retraining, improving competence levels, etc. That is part of the strategy against the emergence of a large unemployable sector of the work force.

We are also concentrating on extending higher education. This fall will see 300,000 Swedes in university, which is an increase of 50 percent over the past 10 years.

We have also just introduced a gender bill, which will increase the number of female researchers and professors, traditionally a male-dominated field.

More higher education, more retraining — are there no thoughts of moving toward a low-wage economy, as in some European countries?

No, this is part of the strategy against the so-called "two-thirds" society. According to recent OECD figures, one job in five is being transformed, replaced or simply obliterated each year by the tremendous changes taking place in the way we work. This is particularly affecting management at the moment. Our education system needs to be able to cope with those changes, and there we are working together with business. Many companies are seeing the need — and the opportunity — for this retraining process and are allowing their employees the time to upgrade their competence and skills.

You mentioned your "gender bill," and sexual equality in higher education is an issue you have made much of. Why? How can you improve the balance of the genders in traditional male areas like business or technology education?

Obviously, the government cannot regulate how companies select management, even though the more enlightened ones are now looking to women to an increasing extent. What we can do is open the way for more women in research and tutorial positions, particularly in an area like technology. Then we can encourage more women to take up posts in the academic world by giving universities and colleges gender targets, etc. By its very nature, this means that as more women have someone of their own sex to look up to in the academic world, as more women study under women, eventually more of them will reach higher positions in management, business, engineering and other fields.

This is a tough move because it will mean changes in some institutions. It may mean for some the surrender of status that is guarded very jealously. People are not happy about losing their positions.

Knowledge, as they say, is power.

Sweden, along with its Nordic neighbor Finland, joined the European Union this year. What advantages do you see there?

As you know, education is one area that is not regulated by the EU. Each member country wants to keep it on its own agenda. However, I think the most pleasing aspect is the increased mobility of students — more of our young people going abroad, more coming here. We will certainly cooperate fully with the various exchange programs such as Leonardo and Socrates.

Do you think Swedish graduates are attractive to companies in Europe? Sweden has a good reputation for speaking English, for example, but is language good enough at the top level?

Are our graduates attractive? I am afraid you will have to ask the companies that. What I do think is that we need to improve our language education. It is true that most people can speak relatively good English, but that is not enough. At a higher level, we need to be able to speak languages like German, French and Spanish with a good degree of skill.

That is why, despite all the spending cuts going on at the moment, we have proposed in our new bill the creation of a thousand new places at our universities for the teaching of foreign languages, particularly those I mentioned. We need to produce top-quality graduates, no doubt about it.

Interview by Keith Foster

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## GATEWAY TO BALTIKS: TAPPING THE NEW REPUBLICS

A survey of Nordic education ventures in Eastern Europe and the former Soviet Union.

The collapse of the former Soviet Union and the emergence of new democracies and markets in Eastern Europe have created fresh business and trading opportunities around the Baltic sea.

Linked to the Baltic region by geography and history, the Nordic countries have been among the first to reopen trade links, which date back to the days of the Hanseatic cities.

The initial euphoria, however, has given way to a realization that doing business in the region can be a difficult and time-consuming process.

**How capitalism works**  
The problems have been caused not just by the collapse of production and the political and social turmoil in the area, but also by a lack of understanding of how capitalist business works.

In an effort to remedy this situation, Nordic academic and business institutions have been actively engaged in teaching business and entrepreneurial skills to students and managers in the Baltic states.

Often backed by funds from their own governments, senior academics and business leaders from the Nordic region have tried to create the educational structures necessary to help these fledgling capitalist states in-

tegrate into the world economy.

One of the most interesting ventures is led by the Stockholm School of Economics, which has established a business school in Riga, the Latvian capital.

SSE-Riga was set up in 1993, with 51 percent of the shares in the school held by the Stockholm School of Economics and the remainder belonging to the Latvian government.

SSE-Riga enrolled its first 56 students last year, and it aims to have an annual intake of around 100.

The academic program would normally take three years to complete. With the urgent need for skilled graduates in the labor market, however, the pace has been quickened to ensure that students complete the course in two years.

**Easing the transition**  
"At first, our job is going to be to ease the transition from a controlled to a market economy," says Jan-Erik Vanine, rector of SSE.

"We hope not only to give our students a thorough knowledge of economics, but also to support their entrepreneurial spirit and business initiative."

The Swedish government is covering the cost of academic operations at the school for the first 10 years.

While the Latvian government is paying local costs, repair work at the school's Art Nouveau building in central Riga is being paid for partly by a \$2 million grant from the Soros Foundation.

Niels Brock, Copenhagen Business College is also active in Latvia; its work is aimed at the upper secondary level, with students between 16 and 19 years old.

"What we are trying to do is create a business education system," says Kirsten Bonde, Niels Brock's Riga project manager. "At present, there are as many different educational systems as there are schools."

The school's individualism is a reaction to the years of heavy-handed control under the Communists, but there is now a need to bring some common standards to the system. Niels Brock's project involves training local teachers so the Latvians themselves will be able to run the system in the future.

The Norwegian School of Management, BI has set up its own Center for Baltic Development. Active for the past five years, the center aims to train people active in the Baltic region's business community, including those working for the many Western companies that are now establishing themselves in the region.

Such training has to be tailored to the specific needs of emerging economies. "Let us say you have people you want to educate in sales techniques," says the center's Sigurd Haavik. "You cannot just use American procedures — they will not be effective. You have to understand the local culture and technique."

Although progress has been steady, problems remain. "Entrepreneurs still do not know how to sell ideas to investors or banks. We are trying to teach people how to go from idea to production and also how to judge if something is profitable."

The last point has led to the introduction of Western accounting methods, the lack of which has made the going tough for foreign companies.

**Centers of expertise**

The experiences gained by students and academics involved in developing business skills in the Baltic republics have allowed Nordic universities and business schools to become centers of expertise in these new markets. Many institutions offer special courses to international students on how to do business in the area.

This is particularly true in Finland, which has had experience in dealing with Eastern markets for many years. Mary Finnish universities have international courses dealing with the Baltics and Eastern Europe, with segments that deal specifically with trade in the Baltics and Russia.

The University of Vaasa, for example, offers international students a course on doing business in Eastern Europe.

In 1996, the Finnish College for SME Business Administration in Kauhava intends to offer a course in English for international students, along the same lines as instruction provided in cooperation with the Universities of Tarto (Estonia) and Petrozavodsk and St. Petersburg in Russia.

In its two-year MBA course, the Helsinki School of Economics and Business Administration includes courses on doing business in St. Petersburg and the Baltic republics.

Trade between the Baltic republics and the Nordic countries has grown rapidly in the past few years, with both governments and private companies keen to develop the potential markets in Estonia, Latvia and Lithuania. All realize that one of the best guarantees of future stability in the area is an increase in living standards based on free-market choices.

N.G.

## THE WALLENBERG FAMILY: FUNDING FOR EDUCATION

Sweden's industrial dynasty is committed to furthering Swedish research and higher education.

The Wallenberg family is the most powerful industrial dynasty in Sweden, holding a controlling interest in companies like Electrolux, Asea-ABB, Gammbo, Ericsson and the Skandinaviska Enskilda Banken. André Oscar Wallenberg founded the Stockholm Enskilda Bank in the middle of the 19th century, and it was developed into one of Sweden's dominant financial institutions by Knut Wallenberg in the early 20th century.

Throughout this century, the family's business activities have been accompanied by a commitment to supporting Swedish research and higher education. For the origins of this commitment, we must go back to Knut Agathon Wallenberg (1853-1938). He was a man

of great intellectual curiosity and a financier of vision. He founded the Banque des Pays du Nord in Paris in 1911 and the British Bank of Northern Commerce in London in 1912, and he still found time to serve as foreign minister in the Swedish government from 1914 to 1917.

On his 50th birthday, in 1903, Knut donated 100,000 Swedish crowns to the Stockholm School of Economics, the first private research and educational institution in Sweden. That commitment continues to this day, as Wallenberg still sits on the school board.

The current senior family member, Peter Wallenberg, 65, is convinced of the need to maintain a private business-education alternative.

"Assuming they provide something the public sector cannot, then private schools like the SSE must be encouraged," he says. "Of course, the proof of the pudding is in the eating."

Peter Wallenberg is the current chairman of the Knut and Alice Foundation, the family's chief instrument in the support of research and education. Established in 1918 by Knut Wallenberg and his wife, the foundation comprises most of their estate, and the statutes declare its primary aim to be "supporting scientific research and educational programs for the benefit of the country."

Since its inception, the Knut and Alice Foundation has done just that. It is the largest private giver of grants in Sweden, with more than 90 percent of its grants going to universities, business schools and research facilities. In 1994, the foundation donated 274 million Swedish crowns (about \$36.5 million) to various projects, most of them scientific. The Stockholm School of Economics received \$25,000 Swedish crowns to support a student research program from the Baltic region.

Both the school and the foundation, however, are keen to point out that the SSE has no favored status when grants are decided.

Will the family's commitment to Swedish business education continue? "Yes, of course," says Mr. Wallenberg. "Sweden must maintain its standards in this respect. For us, it is a case of private support in the public interest."

K.F.

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EIS is active in three main areas: research, education (MSc and PhD) and public policy conferences. Focusing on the key economic and business issues affecting Japan and East Asia, the main thrust of EIS is to analyse the current and future challenges of Japan and East Asia to the global economy, particularly in regard to the implications for European government policies and corporate strategies.

As part of its European strategy, EIS recently took the initiative to establish the Japan-Europe Comparative Competitiveness Consortium and as an example of its public policy conferences, in March this year, EIS hosted and inaugurated in Evian (France) a series of high level international conferences on the subjects of "The International Economic Organization in the Post-Uruguay Round Era

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**Continued on Page 18**

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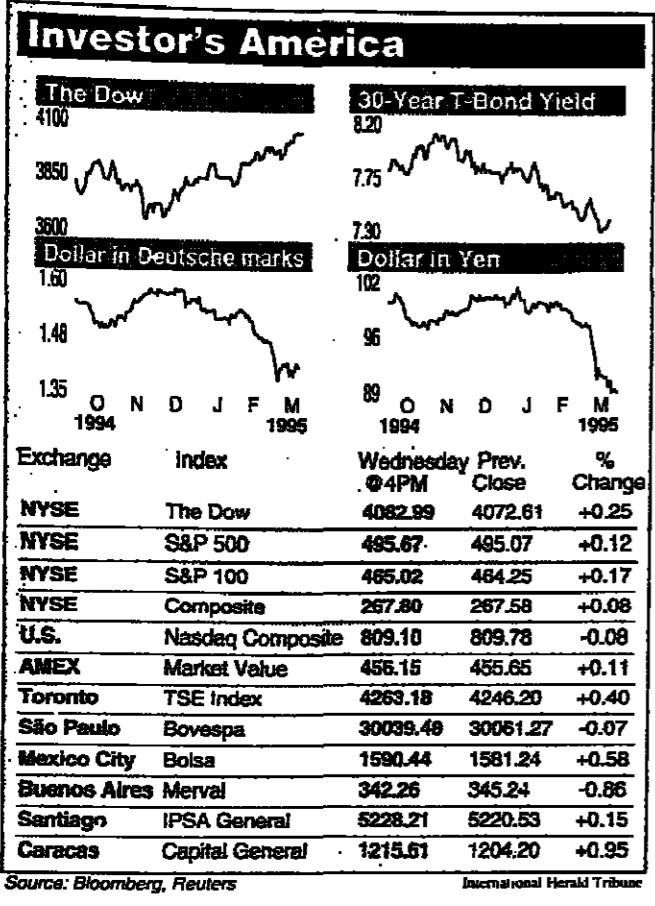
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Source: Bloomberg, Reuters

**Very briefly:****Peso Drops After Credit-Rating Cut**

NEW YORK (Reuters) — Mexico, struggling to pull itself out of an economic and political crisis, was dealt a setback Wednesday when a leading Wall Street credit-rating agency downgraded the country's peso-denominated debt.

Standard & Poor's Corp. cut Mexico's local-currency-debt rating to BBB-plus from single-A.

The agency cited concerns that "spending cuts and very high real interest rates" coming "against a backdrop of falling real incomes and rising unemployment" could test the government. S&P added that Mexico's weakening peso and intense inflationary pressures also contributed to the downgrade. The dollar rose 8 centavos, to 7.13 pesos, in New York.

Although the S&P affirmed Mexico's BB foreign-currency-debt rating, put a negative outlook on this closely watched grading. The BB rating already is below investment grade, while the BBB-plus on the peso debt remains in the investment category.

• Lehman Brothers Holdings Inc. shares closed down \$1.125, at \$18, despite the securities firm's reporting a 7 percent increase in first-quarter profits. But profit before accounting changes fell 18 percent, to \$45 million. Moody's Investors Service lowered its ratings on \$15 billion worth of the underwriter's debt, to Baal from A3.

• Mesa Air Group said falling revenue and rising costs could result in its posting a loss for the current quarter.

• ITT Corp. plans to sell up to a 19.9 percent stake in its Sheraton hotel franchising operation.

**OS/2 Unready for IBM's PowerPCs**

Bloomberg Business News

ARMONK, New York — International Business Machines Corp.'s introductory line of PowerPC personal computers will not contain the company's OS/2 operating software, a major blow to IBM regarding preeminence in the computer industry, according to people familiar with development of the products.

A \$1 billion investment in OS/2 so far has failed to result in a version of the company's operating system to work with the PowerPC computer, the sources said.

IBM delayed unveiling PowerPC machines late last year, saying that the computers would be introduced in the second quarter of 1995 and contain an upgraded version of OS/2.

IBM then discovered that a version of OS/2 compatible with the PowerPC's chip would not be ready for an additional six to 12 months, prompting the company to decide to launch its new line May 23 with the machines running on software created by Microsoft Corp. and Sun Microsystems Inc., two IBM rivals, the sources said.

"That's stupid," said Bob Djurdjevic, an industry analyst at Annex Research in Phoenix, Arizona. "To have caused a delay on account of OS/2 and then come out without it."

The postponement could hurt IBM's efforts to emerge from a troubling period. IBM has lost \$16 billion since 1991, but it turned a \$2.96 billion profit in 1994 on the wings of a robust fourth quarter. Last year, it conceded the No. 1 spot in worldwide personal computer shipments to Compaq Computer Corp.

IBM is counting on the PowerPC to both expand its marketshare in personal computers and increase sales of OS/2. Last

year, OS/2 lured only 2 percent of operating systems customers, compared with 63 percent for its chief rival Windows, from Microsoft.

Now, without OS/2, PowerPC computer users are likely to be disappointed, analysts said. Worse yet, those customers who are among the first to buy PowerPC machines will not be using OS/2, but instead will have to choose between Microsoft's Windows NT or Sun's Solaris software. That will dampen hopes for positive reactions to OS/2 from early users of the computers.

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**Shares Beat Back Inflation Jitters**

Compiled by Our Staff From Dispatches

NEW YORK — U.S. stocks closed mixed on Wednesday as a weakening dollar fueled concern that a rising inflation rate could send interest rates higher. Oil and drug stocks rose, offsetting declines in software shares.

The report of a wider-than-expected trade deficit in January drove the dollar lower

eling inflation, and makes U.S. investments less attractive.

Investors had also been unsettled by strong retail sales figures issued on Tuesday.

"People are coming around to the view that the economy is growing stronger than anticipated and that is going to prompt the Fed to raise rates," said Ms. Rogers.

Pharmaceutical shares rose after Smith Barney raised its investment opinions of a number of major companies, while Goldman, Sachs boosted its rating on Eli Lilly.

Eli Lilly climbed 87% and Eli Lilly jumped 14% to 70%.

Oil stocks gained as crude oil prices rose. An American Petroleum Institute report showed a decline in gasoline production and supplies. Exxon rose 1% to 65% and Mobil climbed 1% to 88%.

In recent months, so-called defensive stocks such as drugs and oil have been among the biggest gainers as the prospect of a slowing economy prompted investors to seek companies with predictable earnings growth or above-average dividends.

The gains in these defensive stocks helped offset weakness in computer-software shares.

(Bloomberg, Reuters)

**U.S. Stocks**

against the Deutsche mark and the yen. Coming one day after news of surprisingly strong retail sales, it rekindled concern about inflation.

The Dow Jones industrial average advanced 10.38 points, to 4,082.99, after falling nearly 12 points earlier in the day. The close was less than a point lower than the record of 4,083.68 set on Monday.

But losers outnumbered gainers by a margin of 11 to 10.

Volume on the Big Board totaled 267.80 million shares, slightly higher than 267.58 million shares on Tuesday.

"Clearly, the dollar is a problem for stocks," said Todd Clark, managing director in equity trading at Mabon Securities Corp. A weak dollar raises the cost of imported goods, fu-

neralized by Mexico's financial turmoil and ideas that the Fed will not raise interest rates soon, market participants said.

The dollar slipped to 1.1642 Swiss francs from 1.1732 francs and to 4.9690 French francs from 4.9994 francs.

The pound rose to \$1.5883 from \$1.5860 on Tuesday.

Mexico's economic crisis, which began with the devaluation of the peso in December, hurts the dollar because of the close trade ties between Mexico and the United States.

(Bloomberg, Reuters)

**DEFICIT: Mexico Crisis Takes Toll by Widening U.S. Trade Imbalance; Dollar Loses Value on Inflation Fears**

Continued from Page 1

likely an aberration which Everett Elich, U.S. Undersecretary of Commerce, attributed partly to the effect of a falling dollar, which at first makes imports more expensive before the export dollars of dollar devaluation kick in.

Now are U.S. imports likely to continue at the record of almost \$73 billion as the Federal Reserve Board's interest rate increases continue to slow the economy from the pace of growth last year. In addition, last month's drop in exports of civilian aircraft by almost \$1 billion, to \$547 million, the weakest month since February, 1978,

is unlikely to be repeated in view of fattening order books at the Boeing Corp. and McDonnell Douglas Corp. But there were plenty of other black

spots in the accounts. The 12.5 percent narrowing in the U.S. deficit with Japan was because of the temporary disruption of shipping by the Kobe earthquake. The U.S. trade deficit with China, which expanded 34 percent to \$2.7 billion, is likely to persist as China, like Mexico, grapples with its finances.

Obviously, the effect of the Mexico crisis was not just limited to south of

the border," said David Hale of Kemper Securities. He said foreign importers put off ordering U.S. goods in the turmoil, while money was fleeing from all emerging markets as well as unstable countries such as Italy for the Deutsche mark and the yen.

■ **Dollar Loses Strength**

The dollar fell against other major currencies after the U.S. trade report, news agencies reported.

"The number is just a shocker," said David De Rosa, director of foreign exchange trading at Swiss Bank in New York. "The dollar is dropping on this

number. It means there are more dollars to be sold by our trading partners."

The dollar closed at 89.02 yen, down from 89.20 yen on Tuesday, and at 1,403.31 Deutsche marks, down from 1,412.31 DM Tuesday.

The dollar pared its losses briefly as investors focused on the one bit of positive news in the report — a narrowing of the U.S. trade deficit with Germany and Japan.

"People are pointing to the two places where the dollar has been the weakest — Germany and Japan," said David De Rosa, director of foreign exchange trading at Swiss Bank in New York. "The dollar is dropping on this

dollar is weighed down by Mexico's financial turmoil and ideas that the Fed will not raise interest rates soon, market participants said.

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Mexico's economic crisis, which began with the devaluation of the peso in December, hurts the dollar because of the close trade ties between Mexico and the United States.

(Bloomberg, Reuters)

**WORLD STOCK MARKETS**

Wednesday, March 22											
Telekurs											
		High	Low	Close	Prev.			High	Low	Close	Prev.
Amsterdam											
Knorr-Bremse	597	597	595	595	595	SBCI	2.10	2.04	2.07	2.04	2.07
Keefhuijser	597	597	595	595	595	Tycos	119	119	119	119	119
Luftfahrt	180.50	180.50	179.10	179.10	179.10	Worlwide	7.35	7.17	7.35	7.07	7.07
Ahold	52.80	52.80	52.50	52.50	52.50	Westen	1.00	1.00	1.00	1.00	1.00
Abn-Amro	55.90	55.90	55.40	55.40	55.40	Wolfsburg	3.35	3.35	3.35	3.27	3.27
Aspen	107.40	107.40	106.90	106.90	106.90	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Avon	102.00	102.00	101.50	101.50	101.50	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Baillie	102.00	102.00	101.50	101.50	101.50	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Baillie	102.00	102.00	101.50	101.50	101.50	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Baillie Hdg	102.00	102.00	101.50	101.50	101.50	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Barclays	102.00	102.00	101.50	101.50	101.50	Wolfsburg	1.40	1.40	1.40	1.37	1.37
Barclays	102.00	102.00	101.50	101.5							

## Commission Calls On Unisource

### EU Seeks More Information On Telephone Venture Plan

Reuters

**BRUSSELS** — The European Commission said Wednesday it had sent a letter to Dutch, Swiss, Swedish and Spanish telecommunications operators seeking information on their Unisource venture and on plans to cooperate with AT&T Corp.

"The Commission took the initiative to examine the different arrangements concerning Unisource and its links with AT&T," it said.

The companies have one month to reply, said the spokesman for European Competition Commissioner, Karel Van Miert.

Unisource, headquartered in the Netherlands, groups Koninklijke PTT Nederland, Telia AB of Sweden and Swiss Telecom PTT.

The venture, like other big strategic alliances in the telecommunications sector, will provide such advanced global services as data transmission to large corporations.

Telefónica de España SA has said it will also join the venture, which is due to come into effect this month.

The four European telecommunications partners and AT&T Europe announced in December they were creating a joint venture 60 percent owned by Unisource, which would become operational by mid-1995.

### BAT: Chugh Should Quit

Agence France-Presse

**LONDON** — BAT Industries PLC, the British tobacco and insurance concern, said Wednesday it had "lost confidence" in Kishan Lal Chugh, chairman of its Indian affiliate ITC Ltd., and called for his resignation.

BAT said it was "particularly concerned about the recent discovery of financial irregularities" at the Indian tobacco producer and that it was "acting in the best interests of all shareholders in ITC Ltd. by seeking to return ITC to professional management under a different chairman."

Peter Constable, an analyst at Robert Fleming Securities Ltd., said BAT had in the past sought greater management and shareholder control of ITC. "Clearly they have been frustrated in this and now they want to get rid of Chugh," he said.

But BAT added that it was "not seeking a majority shareholding in ITC," in which it has a 31 percent stake.

### INTERNATIONAL FUTURES

**Grains**  
COTTON (COTDT) 100 lbs minimum - dollars per hundred  
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# Property Slump In Hong Kong Hits Wharf's Net

Compiled by Our Staff From Dispatches  
HONG KONG — Wharf (Holdings) Ltd. said Wednesday that slack sales in its new Telford House office tower hurt its 1994 profit.

Wharf, one of Hong Kong's largest developers, said net profit rose by 14 percent, to 3.10 billion Hong Kong dollars (\$401 million), half as much as analysts had expected.

"The real point is we don't have any need to do a fire sale," said Gerry A. Higginson, Wharf's executive director. Mr. Higginson and other executives defended Wharf's decision not to cut prices in the 300,000-square-foot (27,000 square meter) complex in the face of declining real-estate prices.

The announcement caught investors by surprise and triggered a slide in Wharf shares of 1.10 dollars, to 25.70 dollars. Given the results, some analysts said they might cut their earnings forecasts for 1995.

"We're not happy with the answers we've received," said Ravi Narain, research director at Peregrine Brokerage Ltd.

Slack sales at Telford House, located in the Kowloon Bay

area of Hong Kong and completed in February, left profit about \$400 million short of analysts' forecasts. Losses at Wharf's fledgling cable-television concern also hurt earnings.

For the year, earnings-per-share rose to 1.43 dollars from 1.27 dollars. The company said it would pay a final dividend of 73 cents, up from 66 cents in 1993.

Many analysts griped that the conglomerate, which has generally maintained an open-door policy for them, failed to warn investors that earnings would fall so far short of forecasts. "This is well under expectations," said Sylvia Wong, a research analyst at Morgan Grenfell Asia Ltd. "But they don't say anything at all."

Meanwhile, Gonzaga Li, Wharf's chairman, said the company was interested in infrastructure projects in China. "We believe China offers excellent long-term growth opportunities," he said. "and we will continue to position ourselves and our businesses to take advantage of those openings at the appropriate times."

(Bloomberg, AFX)

## Singapore to Get STAR TV

Bloomberg Business News

SINGAPORE — Singapore CableVision Ltd., Singapore's first private-subscription TV service, agreed Wednesday to carry up to eight channels from the Hong Kong satellite broadcaster STAR TV on its cable network.

Analysts said the move would release a flood of foreign programming into a nation that kept close watch over the media available to its citizens.

Singapore CableVision said that subscribers would be able to view five STAR TV channels by June, including a sports channel, the Channel V music channel, and a news channel originating from the British Broadcasting Corp. Programs

would be transmitted "in their entirety," the company said.

Singapore CableVision said it would add STAR TV's Chinese channel and Mandarin movie channel after the launch of the AsiaSat-2 satellite, scheduled for later this year after two postponements.

STAR TV has not previously been available in Singapore.

Analysts said that Singapore's policy on broadcasting was slowly changing as it adjusted to advancements in technology and moved to position Singapore as a media center for the region. At the same time, analysts added, the government was striving to maintain some control over the media coming into the country.

## AMEX

Wednesday's 4 p.m. Close  
Tables include the nationwide prices up to the closing on Wall Street and do not reflect sale totals elsewhere. Via the Associated Press

Stock Sales High Low Close Chg.

ALL 1138 21.2 21.2 21.2 21.2 +1.12

AMC 428 11.4 11.4 11.4 11.4 +1.12

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AT&T 316 64.6 64.6 64.6 64.6 +1.12

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NASDAQ

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The Associated Press

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# HERALD INTERNATIONAL TRIBUNE



PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

## THE WORLD'S DAILY NEWSPAPER

Sept 11 1956



## SPORTS

# Storm Forces Delay In America's Cup

## Ships Continue Search for Japanese And British Sailors in BOC Race

The Associated Press

**SAN DIEGO** — A Pacific storm that brought with it high wind and high waves has forced more postponements in the America's Cup semifinals.

The westerly winds ranged from 16 to 20 knots, with gusts up to 25 knots on Tuesday. The limit for racing the 75-foot America's Cup yachts is 20 knots. Swells of six feet from the west combined with wind-generated waves of three feet from the northwest.

The defenders' race between Young America and Mighty Mary that was to be sailed Tuesday will be rescheduled for Monday, the second reserve day of the series. On Wednesday, Young America and Stars & Stripes were scheduled to make up Sunday's race, which was abandoned due to lack of wind.

The challengers' two races were pushed back to Wednesday, with Team New Zealand taking on oneAustralia and NZL-39 facing Nippon.

Team New Zealand's only loss came in the protest room in the second round, when an international jury ruled that Russell Coutts's yacht had a man too far up the mast and overturned its victory over oneAustralia.

• Another yacht has strag-

gled to the end of the third leg of the BOC Challenge, but ships in the seas around Cape Horn were continuing to search for two sailors who have not been heard from since early March.

Arne Taylor Jr. of the United States arrived in Punta del Este, Uruguay, after 10-day layover in the Falkland Islands to repair a cracked mast.

But Harry Mitchell of Britain, at 70 the oldest sailor in the round-the-world race, had not been heard from since his emergency beacon went off March 2.

Three ships have searched the area about 1,400 miles west of Cape Horn, but no sign of Mitchell has been found.

The Japanese sailor Minoru Saito has not been heard from since March 4, when he talked to a ship looking for Mitchell.

Saito's electrical system was knocked out, but he said he was all right and heading to Punta del Este.

A race spokesman, Dan McConnell, said officials were worried about Mitchell, but not about Saito.

• Saito has been out of communications at other times, that's his style," McConnell said Tuesday. "He has EPIRBs — emergency radio beacons — on board, and if he had a problem he would notify us."

## SIDELINES

### Juventus Moving Cup Match to Milan

**MILAN** (Reuters) — Juventus, the leader in the Italian first division, will play the first leg of its UEFA Cup semifinal against Borussia Dortmund in Milan's San Siro stadium and not at its stadium in Turin, officials said Wednesday.

Juventus asked to switch the match to another venue in an attempt to draw larger crowds after its previous UEFA Cup ties at home this season attracted only modest attendance. It originally asked for the game to be played in Bologna, but Borussia reportedly rejected the proposal. Both clubs have now agreed to play in Milan on April 4.

• Eleven policemen were injured in clashes with fans at an Irish Cup match between Cliftonville and Portadown the night before, Belfast police said Wednesday. Cliftonville is supported mainly by Catholics; Portadown has a mostly Protestant following. (AP)

### For the Record

**Marc Rosset**, the Swiss tennis player who fractured his right ankle in a Davis Cup match Feb. 3, is to make his competitive comeback April 10 in Barcelona, where he won the Olympic singles title in 1992. (Reuters)

**Reebok International Ltd.** signed a four-year contract in Beijing to equip about 600 athletes and coaches of the Chinese Athletics Federation. (AFP)

### Quotable

• Gary Shelton in the St. Petersburg Times: "I can see it now: Kevin Mitchell as the Japanese Deion Sanders. Some of the time, he's a baseball player. Some of the time, he's a sumo wrestler."

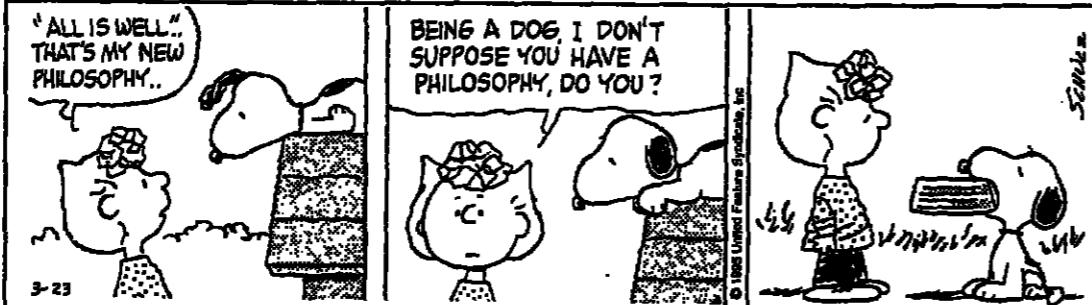
• Bobby Valentine, the first former major league manager to manage in Japan, on one of the cultural differences he faces with the Chiba Lotte Marines: "They don't chew anything. No gum. No seeds. They think it will distract them. I'm trying to tell them it will relax them."

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## DENNIS THE MENACE

### PEANUTS



## JUMBLE

Unscramble these four Jumble words. To help you, the first letter of each word is given.

ENJOY (E) **YESTT** (Y) **FAYLBB** (F) **LANDOU** (L)

Answer here:

Yesterday's Jumble: KEVED LADLE UNPACK FATOR

Answer: What mom got when she interrupted the phone — A CRANKY CALL

### GARFIELD

WHERE'S ODIE? I HOPE HE'S OKAY!

RELAX JON, HOW MUCH TROUBLE COULD HE GET INTO ON A PLANE?

IT'S NOT "WHO SHALL I SAY IS CALLING?" IT'S WHOM. WHOM IS THE OBJECT OF...

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By Claire Smith  
New York Times Service

## Orioles Train on the High Ground, Maybe for a 162-Game Losing Streak

ST. PETERSBURG, Florida — With 11 days left until they are scheduled to open the season in Camden Yards, the Baltimore Orioles remain in a league of their own making.

None of the other 27 major league clubs will play exhibition games against the Orioles. And the Orioles won't play the other 27, either. The irreparable parting of the ways was caused when the Orioles' owner, Peter Angelos, ordered his team not to play with or against nonunion players hired to replace striking major leaguers.

Being isolated and idle as other teams cruise a temuous course toward the regular season has not caused the Orioles to be mired in self-doubt. Rather, in what has to be one of the more delicious ironies in an otherwise distasteful spring, the serenity and sense of purpose that is missing at so many other spring training sites is very much evident in Camp Angelos.

"I am very proud to be a member of this organization because of the team's organization; it's a breath of fresh air," Frank Robinson, a Hall of Famer and the Ori-

oles' assistant general manager, said recently during a team workout. "Even if I had never worn the uniform, replacements are in the foot. They have a gun to its head."

Now some might say that it is easy for a Robinson or a Roland Hemond, the club's veteran general manager, to fall solidly in line behind the man who signs the paychecks. Fact is, though, that opposition by Hemond and Robinson to strikebreakers helped Angelos form his club's policy.

"We expressed our opinions independently because we have a great love for our game and have always been attempting to provide the very best for our organization and for our fans," Hemond said. "That's been the essence of our existence."

But if the Orioles do not take the field April 3, when their first regular-season game is scheduled, they face forfeiture of who knows how many games, and Angelos faces suspension, fines, confiscation of the franchise or all three.

No matter, says Robinson, formerly the team's manager. "In 1988, I was a part of 21 straight losses here, and that was tough," he said. "And 162, that would be real, real tough. I would hate to be a part of that. But if that's what it takes not to put

replacement players on the field, so be it. It's a sacrifice, but I'd rather be on the right side of history. And I know we are."

Such self-assurance and genuine acceptance of the club's stance have trickled not only up to the owner's office, but also down through the organization. That much is evidenced by Phil Regan, the manager.

Hired to replace the dismissed Johnny Oates, Regan has yet to manage a game in the majors. He has managed minor leaguers, more than 100 of them, all of them after intrasquad game, and now colleges. Now, the Orioles are tackling the college ranks, en masse, and, to Regan's credit, with some good humor.

"We've played Eckerd College, Manatee College, Seton Hall," Regan said, smiling. "The last one, I told them if we won, we were going to Omaha for the College World Series."

That Regan can laugh about his lot is enough to set him apart from most other major league managers, many of whom are somber and reluctant about working with replacements.

Granted, Regan, unlike most of his counterparts, still does not know where he

will be April 3. And yes, he said, he and his coaches are often frustrated because of the great unknown and the valuable time lost to the strike, time the new manager might have otherwise enjoyed with the major leaguers he barely knows. Still, Regan still seems able to find a bright side where other managers cannot.

"We've seen players improve since the beginning of spring training," Hemond said. "In other years, you would see that, too, but this isn't as subtle, the changes. And that's been refreshing, the teaching and the players wanting to learn."

"Our players here are playing for a purpose," Regan said. "They're getting ready for the season, whether it's in Rochester or Bowie. And we've gotten a lot accomplished. It's really been invaluable to these kids, just in terms of instruction and intensity. It really could accelerate them a year, because of the opportunities they've had."

Said Kris Gresham, 24, a catcher. "Normally, if you're in a situation like I am and you have a chance to go to the big league camp, the emphasis is going to be on Chris Hoiles," Gresham said, referring to the starting catcher.

"I would get my work in, but there wouldn't have been as much emphasis on me. Now, though, we're getting a little bit of an extra look because the 40-man roster guys aren't here," he said, referring to those players who are on the major league roster and, therefore, on strike. "They're getting to know us."

Granted, Regan, unlike most of his

coaches are often frustrated because of the great unknown and the valuable time lost to the strike, time the new manager might have otherwise enjoyed with the major leaguers he barely knows. Still, Regan still seems able to find a bright side where other managers cannot.

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The Orioles have defined other positives. Such as the island of relative peace they have provided minor leaguers who might have otherwise been tainted by the most bitter labor dispute to hit professional sports. Hemond assured such peace the day the players reported, telling them they need never fear being pressured to play as replacements.

"Once that meeting took place, the pressure was off," said Jeff Huson, 29, an infielder formerly with the Texas Rangers. "It's very nice coming to the ball park not having to worry about being labeled anything other than a baseball player — no 'scab,' no 'replacement player' — and that helps your attitude, and helps preparing for the season, wherever it may be."

Hemond and Regan are counting for

some payback for all that comfort, if and when the labor dispute ends.

"There's going to be a lot of tension in those other clubhouses," Regan said. "But when our guys come back, every one of these kids is going to be able to walk up to them and say, 'Hey, glad to have you back.'"

Even if the youngsters and nonroster veterans like Huson know it could mean slipping back to the recesses of the mind of the Orioles' brain trust once more? Yes, Huson insists.

"The way I view it, if I have the ability to get to the big leagues, I want to get to the big leagues playing with a Cal Ripken Jr., or playing against a Frank Thomas or a Ken Griffey Jr.," said Huson, a 10-year professional. "I want to be able to say I played with those guys. I don't want to say I played with Joe the baker. Even if I don't make it back, there's something about pride. If you sacrifice pride, you sacrifice everything. You don't have anything left."

Somehow, it seems, the Orioles will continue to believe in their stance, a belief that even a 162-game losing streak might not be able to shake.

## No Progress In Baseball Labor Talks

Compiled by Our Staff From Dispatches

WASHINGTON — Two days of talks between Bud Selig and Donald Fehr have produced nothing promising in their effort to find a way to resolve the major league baseball strike that Wednesday became 223 days old.

At the end of the second day of their meetings in the Washington area, both men issued terse statements that said nothing about their visit and offered no hope for the near future.

"We've had two days of tense and constructive discussions," said Selig, the acting commissioner. "The parties will be back in touch with Bill Usery shortly." Usery is the federal mediator in the dispute. Fehr, the union leader, said the talks were "constructive but disappointing."

No negotiations were scheduled, leaving the two sides 19 days from their last legitimate bargaining and 10 days from the season opener on April 2 with nothing new in sight.

The U.S. Court of Appeals for the District of Columbia overruled a \$30 million judgment against the National Football League, ruling that players cannot sue a league on antitrust grounds when their union is engaged in collective bargaining, even if negotiations have reached an impasse.

Professional U.S. sports unions have for years argued that leagues violate antitrust laws laid out in the Sherman Act in order to restrict the salaries of players. Lawsuits and the threats of lawsuits, challenging the legality of those management practices have been part of the background to labor negotiations in several sports and are one of the divisive issues in the strike by major league baseball players.

In his 30-page majority opinion, Judge Harry Edwards wrote that when a collective bargaining situation exists, federal antitrust law must "give way" to federal labor law, which allows management to impose terms after bargaining breaks down.

(NYT, WP)



Aferne Hardaway topped Charles Barkley, who called it quits with his team 20 down.

## In Showdown With the Magic, It's the Suns Who Are Eclipsed

The Associated Press

The Orlando Magic doubled their fun with a rout of the Phoenix Suns.

The 126-102 victory Tuesday night halted a three-game losing streak and gave the Atlantic Division leaders a split of the season series between the NBA's best teams.

"If we want to be the best, we have to beat the best," said Orlando's coach, Brian Hill. "It was a challenge for us, especially coming of a streak like we had been through."

Shaquille O'Neal and Afer-

ne Hardaway each scored 26 points for Orlando, which had the weekend off after losing at Indiana on Friday night.

The Suns, ending a four-

game road trip, had only one day of rest.

The Magic improved the league's best record to 49-17 and dropped the Suns to 48-18.

Phoenix had won, 111-110, in overtime on Jan. 22, in their other meeting.

Charles Barkley, who sat out

the fourth quarter with his team 20 points down, led Phoenix with 23 points and 11 rebounds.

Hornets 78, Knicks 69: Visiting Charlotte overcame 35 points and 18 rebounds by Patrick Ewing to beat New York for the third time this season, holding the Knicks to a season low and halting their three-game winning streak.

Larry Johnson had 21 to lead the Hornets, and Alonzo Mourning had 18 points and 15 rebounds. Charlotte, which held New York to 49 points through three quarters, grabbed

22 defensive rebounds in the first half.

Heat 97, Pacers 95: Glen Rice's lay-up with 1.8 seconds to play gave host Miami its victory. He led Miami with 28 points, with seven in the final 2:14, and Kevin Willis had 19 points and 15 rebounds.

Rik Smits had 30 points for Indiana, but Miami's reserves outscored Indiana's, 35-6, and Miami had a season-high 10 blocked shots.

Sonics 104, Rockets 102: Samual Marchilious scored 20 points and eight rebounds for the Rockets.

Clyde Drexler had 22 points and Hakeem Olajuwon 21 points and eight rebounds for the Rockets.

Peyton made two free throws with 16.5 seconds left as Seattle ended host Phoenix's five-game winning streak.

Peyton's free throws gave Seattle a 103-99 lead, but the Rockets got within one on Kenny Smith's three-point basket. Detlef Schrempf (19) hit a free throw with 5.6 seconds left and the Sonics beat the Rockets for the third straight time.

Until Jordan's return, Kukoc has avoided the news media the last few days, bates coming off the bench. When he finally cracked the starting lineup in late December, he considered it a milestone in his two-year NBA career.

Kukoc is a gifted offensive player. But at 6 feet, 11 inches,

he's a small forward or shooting guard in a power forward's body; he doesn't like contact and isn't strong either defensively or on the boards.

"I'll just try to get to know him personally," Jordan said. "He's in another country and still has some sense of uncomfortability here. Hopefully, my reputation will precede me to a point where I can help him relax, talk to him, don't criticize him, don't blame, but just help him and talk to him on the court."

Jordan did so often Sunday, even patting Kukoc on the back after he was criticized by Jackson. Despite Jordan's support, Kukoc got only 7 points, 3 rebounds and 1 assist in 27 minutes. He played tentatively, passing up open jumpers to look for Jordan and Scottie Pippen.

"He was kind of rattled because of the whole situation," Jordan said. "Certainly, he didn't play well. I let him know I didn't play well either. That happens. You're going to have bad games. It's how you rebound from those games, learn from those games. I want to make sure that he believes in himself."

Until Jordan's return, Kukoc had been the Bulls' second-best player this season, ranking behind only Pippen in scoring and assists.

Kukoc is a gifted offensive player. But at 6 feet, 11 inches,

he's a small forward or shooting

guard in a power forward's

body; he doesn't like contact

and isn't strong either de-

fensively or on the boards.

Toni needs the ball in his

hands to play effectively," said a Bulls guard, Steve Kerr. "But the fact is that the ball is not going to be in his hands very much anymore. It's going to be in Michael's and Scottie's hands."

Making matters interesting is that Kukoc's average annual salary of \$4.33 million is more than Jordan ever made with the Bulls.

Kukoc would play only

about 15 minutes a game back-

ing up Pippen and Jordan.

"We're going to fish around

at that spot," Jackson said, "until someone fills that gap."

## With Jordan Back, Whither Kukoc?

The Associated Press

DEERFIELD, Illinois — When Michael Jordan retired in 1993, Toni Kukoc cried. Croatia's star player had so very much wanted to play with the National Basketball Association's Prince of Mid-Air.

Now that Jordan has un-retired, Kukoc has his chance. Or he may not.

Kukoc seemed lost Sunday during Jordan's return engagement and the Chicago Bulls' coach, Phil Jackson, is already talking about lineup changes.

"Toni's the only member of the starting group who has never played with Michael, so he's got the most adjusting to do," Jackson said after Tuesday's practice. "We're going to stick with Toni a little bit and see how he does. We always know that we can find a way for him to come off the bench and contribute."

When the Bulls rallied in the second half of Sunday's 103-96 overtime loss in Indiana, Kukoc was on the bench. Jackson used unheralded Corie Blount, a better rebounder and defender, at power forward. Either Blount or Larry Krystkowiak, who is on the injured list, could eventually start.

Kukoc, who has avoided the news media the last few days, bates coming off the bench. When he finally cracked the starting lineup in late December, he considered it a milestone in his two-year NBA career.

Kukoc is a gifted offensive player. But at 6 feet, 11 inches,

Jordan said he would do whatever he could to help Kukoc, who is averaging 16.3 points, 5.4 rebounds and 4.6 assists a game.

"I'll just try to get to know him personally," Jordan said. "He's in another country and still has some sense of uncomfortability here. Hopefully, my reputation will precede me to a point where I can help him relax, talk to him, don't criticize him, don't blame, but just help him and talk to him on the court."

Jordan did so often Sunday, even patting Kukoc on the back after he was criticized by Jackson. Despite Jordan's support, Kukoc got only 7 points, 3 rebounds and 1 assist in 27 minutes. He played tentatively, passing up open jumpers to look for Jordan and Scottie Pippen.

"He was kind of rattled because of the whole situation," Jordan said. "Certainly, he didn't play well. I let him know I didn't play well either. That happens. You're going to have bad games. It's how you rebound from those games, learn from those games. I want to make sure that he believes in himself."

Until Jordan's return, Kukoc had been the Bulls' second-best player this season, ranking behind only Pippen in scoring and assists.

Kukoc is a gifted offensive player. But at 6 feet, 11 inches,

he's a small forward or shooting guard in a power forward's body; he doesn't like contact and isn't strong either defensively or on the boards.

Can the Bulls afford to pay superstar money to a part-time player — especially when they are paying a free-agent bust, Ron Harper, \$19.2 million through 1999?

Jackson would not touch the financial part of the equation. He said he just wants to see the Bulls' power forward rebound and defend well enough to help the team improve during the season's final 16 games and into the playoffs.

"We're going to fish around at that spot," Jackson said, "until someone fills that gap."

## Friend Now Says Lewis Did Not Use Cocaine

The Associated Press

BOSTON — The college teammate and friend who said that he had used cocaine with Reggie Lewis and Len Bias has retracted the statements.

In interviews with The Wall Street Journal and The Boston Globe, Derrick Lewis had said he had used cocaine with Reggie Lewis five days before the Boston Celtics' captain collapsed during a playoff game in April 1993. He also said he used cocaine with Lewis and Bias during a summer basketball camp in 1985.

But Tuesday night, he told WCBS-TV he had never seen Lewis or Bias use cocaine.

"I never got high with Reggie, no more than drinking beers," he told WCBS in a telephone interview. "The Globe and all these reporters

## ART BUCHWALD

## Get Rid of Those Trees

WASHINGTON — Glenn Goldenberg, who heads up Bare Bones for America, a conservative think tank, has been busily at work finding ways to cut the budget that were overlooked by Newt Gingrich's "Contract With America."

He was elated when I saw him because his organization had just come up with something that even the cost-cutters in Washington had not thought of.

"We believe that we could save a bundle by cutting down the cherry trees around the Tidal Basin."

"Of course, you could," I told Glenn. "Why didn't the Republicans think of it before?"

"They were too busy cutting school lunches and Head Start. The cherry trees cut completely slipped their minds. Frankly, I hadn't even thought of it until I drove by the Jefferson Memorial the other day and realized what a waste of taxpayers' money the blossoms were."

## Hirshhorn Bequest To Go to the Corcoran

*The Associated Press*

WASHINGTON — Olga Hirshhorn is bypassing the museum her husband founded and leaving her personal collection of more than 3,000 items to the Corcoran Gallery of Art. The bequest includes works by Georgia O'Keeffe, Man Ray, Josef Albers, Henry Moore, Willem de Kooning and Larry Rivers.

Joseph Hirshhorn, who died in 1981, founded the Hirshhorn Museum and Sculpture Garden in Washington, which opened in 1974. Mrs. Hirshhorn is a member of the board of the Corcoran School of Art.



Buchwald

"We have nothing personal against the trees," Glenn explained. "but if we have a choice between keeping them and a tax cut, we'll take the cut."

"The Japanese people gave us those cherry trees. Don't you think that they might be a little upset if we cut them down to save money?"

"I don't think so. Once we show them all the things that we have sacrificed in our lives to balance the budget they'll understand. The cherry trees have been a federal giveaway for a long time in this city, and it costs too much to maintain the trees when they bloom only for a few weeks."

"You're absolutely right. There is no reason to have flowers if you eliminate public television," I said. "They are both a drain on the taxpayer."

Gleann added, "Also how can we justify eliminating a nuclear submarine and still allow 1,000 flowers to bloom?"

"How much money do you expect to save?"

"Between \$30 billion and \$40 billion. We're not just discussing the trees around the Tidal Basin — we're also including those in the National Arboretum. Fair is fair."

"Do you plan to cut down the cherry trees as a line item or all at once?"

"This is an important environmental issue, and since it affects so many people, we believe that we should cut them down all at once — preferably at night."

"Does your think tank consider this an agonizing decision or not?"

"Every budget cut is agonizing, but we're not just hitting the poor. The rich will suffer just as much because they stop and smell the flowers, too."

## WEATHER

## Europe

	Today	Low	W	High	Low	W	High	Low	W
Paris	19-21	12-14	+	20-22	13-15	+	23-25	16-18	+
Amsterdam	12-13	8-10	+	16-18	11-13	+	20-22	14-16	+
Antwerp	8-10	4-6	+	12-14	8-10	+	18-20	12-14	+
Athens	11-12	2-4	+	15-16	10-12	+	19-20	14-16	+
Berlin	10-11	6-8	+	14-15	9-11	+	18-19	13-15	+
Belgrade	4-5	1-3	+	8-9	4-6	+	12-13	7-9	+
Brisbane	8-9	4-6	+	12-13	8-10	+	16-17	11-13	+
Budapest	4-5	1-3	+	8-9	4-6	+	12-13	7-9	+
Copenhagen	7-8	3-5	+	11-12	7-9	+	15-16	11-13	+
Dublin	11-12	1-3	+	15-16	11-13	+	19-20	14-16	+
Edinburgh	9-10	5-7	+	13-14	9-11	+	17-18	13-15	+
Frankfurt	9-10	5-7	+	13-14	9-11	+	17-18	13-15	+
Geneva	13-15	8-10	+	18-20	13-15	+	22-24	18-20	+
Helsinki	14-15	9-11	+	18-19	14-16	+	22-23	18-20	+
Istanbul	10-12	2-4	+	14-16	8-10	+	18-20	12-14	+
Las Palmas	24-25	17-19	+	28-29	24-26	+	32-33	28-30	+
Ljubljana	14-15	10-12	+	18-19	14-16	+	22-23	18-20	+
London	14-15	10-12	+	18-19	14-16	+	22-23	18-20	+
Madrid	18-19	8-10	+	22-23	18-20	+	26-27	22-24	+
Milan	14-15	10-12	+	18-19	14-16	+	22-23	18-20	+
Moscow	1-2	4-6	+	5-7	1-3	+	9-11	5-7	+
Munich	10-12	6-8	+	14-15	10-12	+	18-19	14-16	+
Nice	14-15	10-12	+	18-19	14-16	+	22-23	18-20	+
Oslo	8-9	4-6	+	12-13	8-10	+	16-17	12-14	+
Paris	15-16	11-13	+	19-20	15-17	+	23-24	19-21	+
Pristina	7-8	4-6	+	11-12	7-9	+	15-16	11-13	+
Prague	7-8	4-6	+	11-12	7-9	+	15-16	11-13	+
Rome	2-3	1-3	+	5-6	2-4	+	9-10	5-7	+
St. Petersburg	2-3	1-3	+	5-6	2-4	+	9-10	5-7	+
Stockholm	7-8	4-6	+	11-12	7-9	+	15-16	11-13	+
Tbilisi	0-2	1-3	+	4-5	0-2	+	8-9	4-6	+
Tel Aviv	11-12	8-10	+	15-16	11-13	+	19-20	15-17	+
Venice	11-12	8-10	+	15-16	11-13	+	19-20	15-17	+
Vienna	8-9	4-6	+	12-13	8-10	+	16-17	12-14	+
Warsaw	8-9	4-6	+	12-13	8-10	+	16-17	12-14	+
Zurich	14-15	10-12	+	18-19	14-16	+	22-23	18-20	+

Forecast for Friday through Sunday, as provided by Accu-Weather.



## North America

	Today	Low	W	High	Low	W	High	Low	W
Alaska	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Arizona	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
California	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Colorado	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Hawaii	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Illinois	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Indiana	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Michigan	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Minnesota	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Mississippi	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Missouri	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Montana	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Nebraska	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
North Dakota	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Oklahoma	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Oregon	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Pennsylvania	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Rhode Island	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Tennessee	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Texas	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Utah	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Virginia	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Washington	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
West Virginia	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Wisconsin	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+
Wyoming	25-27	18-20	+	28-30	21-23	+	31-33	24-26	+

	Today	Low	W	High	Low	W	High	Low	W


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